

AYES

Hon. J. Cornell	Hon. H. Seddon
Hon. J. A. Greig	Hon. H. A. Stephenson
Hon. J. J. Holmes	Hon. H. Stewart
Hon. A. Lovekin	Hon. J. M. Macfarlane
Hon. J. Nicholson	(Teller.)

NOES.

Hon. J. R. Brown	Hon. J. W. Hickey
Hon. A. Burvill	Hon. T. Moore
Hon. J. M. Drew	Hon. A. J. H. Saw
Hon. E. H. Gray	Hon. J. Ewing
Hon. E. H. Harris	(Teller.)

The CHAIRMAN: In accordance with the Standing Orders the question passes in the negative.

Amendment thus negatived.

Hon. A. LOVEKIN: I move an amendment—

That in line 15 after "pounds" the words "or three years imprisonment with hard labour" be inserted.

Hon. J. CORNELL: I move an amendment on the amendment—

That the word "three" be struck out and "one" inserted in lieu.

I have always considered that imprisonment is a deterrent..

Hon. E. H. Gray: Not for some people.

Hon. J. CORNELL: It is for you and for me.

Amendment on amendment put and passed.

Amendment, as amended, put and passed; the clause, as amended, agreed to.

Progress reported.

House adjourned at 10.10 p.m.

Legislative Assembly.

Thursday, 4th December, 1924.

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The SPEAKER took the Chair at 4.30 p.m., and read prayers.

QUESTIONS (2)—RAILWAYS.

Rates on Fruit, etc.

Mr. SAMPSON asked the Minister for Railways: 1, Is he aware that specially cheap rates for the conveyance of fruit and tomatoes have been adopted by the Victorian Railway Commissioners, and that the rates provide for the transport of packages containing not over 30lbs. at the following rates:—Up to 25 miles, 6d.; 26 to 50 miles, 8d.; 51 to 101 miles, 9d.; 102 to 400 miles, 1s. 2, In view of the importance of conveying half-cases of fruit at rates lower than prevail for full cases, will he give consideration to the reduction of the transport charge of 1s. 6d. for a full case to 9d. for a half case?

The MINISTER FOR RAILWAYS replied: 1, Yes, provided freight is prepaid and fruit is forwarded by goods train. 2, The 1s. 6d. covers freight, loading and unloading, and covering on a single case of fruit up to 60lbs. weight, by passenger train, for any distance, and it is not intended to reduce same. The charge in Victoria for a single case of fruit for 600 miles per passenger train is 6s. 9d.

Permanent Way Inspectorship, Port Hedland.

Mr. KENNEDY asked the Minister for Railways: 1, Was the position of inspector, permanent way, Port Hedland, recently filled by a junior? 2, If so, why were the senior employees passed over? 3, How many applications for the position were received? 4, Was the position vacated by the appointee to the inspectorship above-mentioned also filled by a junior? 5, If so, why were the senior applicants passed over? 6, How many applications for this position were received?

The MINISTER FOR RAILWAYS replied: 1, The position was filled by the promotion of a first class ganger. 2, Certain first class gangers who applied were passed over because for various reasons they were not considered to be as suitable for the position as the appointee. 3, 50, viz., eight gangers, 1st class; and 42 gangers, 2nd class. 4, No, by the senior applicant for the position. 5, Answered by No. 4. 6, 17, viz., 15 gangers, 2nd class; 1 length runner, and one repairer.

QUESTION — AGRICULTURAL MACHINERY, HIRE-PURCHASE SYSTEM.

Mr. GRIFFITHS asked the Minister for Justice: 1, Has the attention given by the Government to the Act relating to the hire-purchase of machinery resulted in any decision being arrived at to rectify certain injustices? 2, If not, can he indicate whether anything tangible is likely to eventuate this session in the direction of making certain amendments to the Act?

The MINISTER FOR JUSTICE replied: 1, No; see "Hansard," 1920, page 1780. 2, The present Government have not been asked to consider the matter so far.

QUESTION—STATE SCHOOLS, CLASSES.

Hon. W. D. JOHNSON asked the Premier: 1, Is it proposed to increase the number of pupils in the classes of the State schools? 2, If so, is it his intention to lay a copy of the proposal on the Table of the House?

The PREMIER replied: 1, No. 2, Answered by No. 1.

BILL—PLANT DISEASES ACT AMENDMENT.

In Committee.

Mr. Lutey in the Chair; the Minister for Agriculture in charge of the Bill.

Clause 1—agreed to.

Clause 2—Insertion of new section after Section 8:

Hon. Sir JAMES MITCHELL: I do not see how the average man who owns a fruit tree or two will be able to tell that a disease exists or appears on his tree. The Minister suggested that it was easy to ascertain once the fruit was on the tree.

Hon. W. D. Johnson: It is easy to get over the difficulty by spraying before the fruit comes.

Hon. Sir JAMES MITCHELL: I understood it was difficult to detect some of the diseases affecting fruit trees.

Hon. W. D. Johnson: I have seen an orchard that was perfectly clean, whereas on the other side of the fence another orchard was anything but clean. There was care on one side, and carelessness on the other side.

Mr. Sampson: Fruit flies have been known to fly across fences!

The Premier: There are very wise microbes!

Hon. Sir JAMES MITCHELL: Harm can be done to commercial orchardists by allowing other people to be careless, and I have no objection to the utmost precautions being taken to protect the former. People should be compelled to keep their orchards as clean as possible. I suggest, however, as the Minister has already indicated that the intention is to continue the operations of the Bill to the eradication of fruit fly, the clause be amended to make it apply specifically to that disease. I met two gentlemen last night each of whom had about 15 acres under fruit trees but they had pulled up those trees because of the trouble they had to go to regarding spraying and fumigating.

Hon. W. D. Johnson: They had planted the wrong varieties. Had they planted the right ones there would have been no necessity to pull the trees up.

Hon. Sir JAMES MITCHELL: More wisdom!

The CHAIRMAN: The parent Act deals with any plant disease.

The MINISTER FOR AGRICULTURE: That is so. The present intention of the department is to deal with the fruit fly only. It is not intended to take action respecting other diseases in the same way. The fact remains, however, that other diseases appear from time to time, and it is necessary to make provision accordingly in the measure. If that were not done it would be necessary to come to Parliament with amending legislation whenever the necessity arose. Parliament might not be in session and difficulties would arise. It must be remembered that action cannot be taken without the consent of the Minister and he would not act unreasonably. I would agree to amend the clause to make it apply specifically to fruit fly were it not for the fact that other plant diseases are liable to crop up and they must be dealt with.

Mr. TAYLOR: The clause provides wide powers for the Minister and the department but, as the Minister has pointed out, power is necessary to deal with diseases as they may arise. If the Bill is administered harshly, the Minister will have some trouble, but in view of his remarks there is no reason why the power sought should not be granted.

Hon. Sir JAMES MITCHELL: Sub-clause 3 is an unusual one. It provides that it shall be no defence to a prosecution under the Bill to show that the person prosecuted did not know that the disease existed or had appeared in the orchard.

The Minister for Agriculture: I am prepared to amend that subclause. There is no necessity for it, because ample power exists in the parent Act.

Hon. Sir JAMES MITCHELL: The penalty provided, viz., £25, is very severe.

Mr. Heron: So it is.

Hon. Sir JAMES MITCHELL: There are diseases that we know nothing about and the imposition of such a penalty would be very severe.

The MINISTER FOR AGRICULTURE: Section 30 of the principal Act provides a penalty, if no other penalty is specified, which works out at a minimum of £5 and a maximum of £100.

Hon. Sir JAMES MITCHELL: The principal Act merely provides that the penalty may be from £5 to £100 if no other penalty is provided.

The Minister for Agriculture: I am prepared to strike out the penalty of £25.

Hon. Sir JAMES MITCHELL: That is ridiculous, because it means increasing the penalty from £25 to £100. Does the Minister consider that such a severe penalty is necessary?

The MINISTER FOR AGRICULTURE: A severe penalty is necessary, because action will be taken only in exceptional cases. If a prosecution were instituted as a warning to other offenders, a salutary penalty would be necessary.

Hon. Sir JAMES MITCHELL: The proposed new Subsection 3 stipulates that it shall be no defence for the defendant to plead that he did not know the disease had appeared in his orchard. That is very arbitrary. I move an amendment—

That the proposed new Subsection 3 be deleted.

Mr. Taylor: I wish to refer to the proposed new Subsection 2.

Hon. W. D. Johnson: No fear, we are past that.

Hon. Sir James Mitchell: That is a matter for the Chairman.

The CHAIRMAN: We are dealing with the amendment proposed by the member for Northam.

The MINISTER FOR AGRICULTURE: Many Acts provide that ignorance, or alleged ignorance, is no defence. Quite a number of people might plead ignorance under this measure.

Mr. Sampson: They could not do that if the inspector had previously warned them.

The MINISTER FOR AGRICULTURE: If we had sufficient inspectors, that would be all right, but during the season when the fruit fly is active, we would require an army of inspectors. Section 33 of the principal Act provides that knowledge shall be presumed unless and until the contrary is proved and the defendant satisfies the court that the want of knowledge was reasonable and in no way imputable to negligence. I am prepared to accept the amendment and to rely upon Section 33 of the Act.

Mr. TAYLOR: There is a danger of orchardists being ignorant of diseases other than fruit fly, and this provision covers all diseases. Experienced cattle-men knew nothing of rinderpest prior to the recent outbreak, and a similarly strange orchard disease might make its appearance. I do not think the Minister will be harsh in administering the Act, but when a case goes to court, the law must be administered. The proposed new subsection will really make inspectors of the orchardists.

Mr. GEORGE: Fruit fly is not like woolly aphis or other diseases that can be seen. The first that one knows of fruit fly is when he finds it in the fruit. If a man finds the fly in his fruit and will not deal with it, he should be punished. The trouble is there is so much ignorance as

to what should be done. A farm manager of mine returned from Pinjarra on one occasion with a couple of cases of peaches full of fruit fly. Consequently we got fruit fly in our orchard. We got all the fowls and ducks we could find, netted round the trees, and kept the poultry there for two or three months. In that way we got rid of the fly. Within a mile of my place there was another orchard that became infested with the fly, with the result that we had another outbreak. The disease cannot be identified until the maggots make their appearance in the fruit. It is then too late to do more than strip the trees of the fruit and burn it. It is from the training college at Claremont that the small orchards in that district get most of their fruit fly.

Amendment put and passed; the clause, as amended, agreed to.

Clause 3—agreed to.

Title—agreed to.

Bill reported with an amendment.

BILLS (3)—RETURNED.

1, Fire Brigades Act Amendment.

2, Supply (No. 2), £2,150,000.

3, Stamp Act Amendment.

Without amendment.

BILL—TRANSFER OF LAND ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

Mr. DAVY (West Perth) [4.55]: This Bill will bring about a state of affairs very different from that which exists to-day. I feel some diffidence about criticising it, because the profession, in the larger firms, is more or less divided into two branches, those who attend to the conveyancing side of land, and those who attend to the litigious side. My experience is more or less confined to the latter. It is necessary for me, therefore, to take the views mainly of the other branch of the profession. I have referred the Bill to one or two members of the profession. They tell me that it would be a great mistake to combine the positions of Registrar and Commissioner of Titles. The two jobs are essentially different. The registrar is a practical man, who has grown up in the office of titles, possibly having started as an office boy there, and has learned the game from A to Z. The most skilful lawyer in town would find himself hopelessly out of things in such a position. The Registrar and the Acting Registrar both have to register documents. The Commissioner on the other hand is a kind of preliminary court of appeal. He decides legal points,

and must be a lawyer. Points of law must be referred to the Commissioner.

The Minister for Justice: Yes.

Mr. DAVY: The Registrar must have an intimate knowledge of the working of the office, and this knowledge would not be possessed by a lawyer. I gathered it was the opinion of the Minister that the office was not efficiently run. I do not think there is anything like the efficiency in any other Government department that is found in the Titles Office.

The Minister for Justice: A lot of inconvenience is caused through people having to go to the Crown Law offices.

Mr. DAVY: That does not happen in the way that has been suggested. I am not really competent to go into the details of this Bill and argue them. I have discussed the matter with certain skilled conveyancing lawyers, and they tell me it would be a grave mistake to adopt the course suggested here. I know the opinion of a person who is high in the Titles Office is that it would be a mistake. It is impossible for the Minister to acquire an intimate knowledge of the working of the office of the Registrar, and he therefore has to be guided by what he has been told. I suggest that before we pass the Bill, which makes such a drastic alteration in the administration of the Transfer of Land Act—this Act is a boon and a blessing to the citizens of the country—the Minister should go into the question with persons who are qualified to judge.

The Minister for Justice: I have gone into the matter with the authorities.

Mr. DAVY: I understand he has discussed it with Mr. Glyde, and someone else in the Crown Law Department.

The Minister for Justice: With Mr. Sayer.

Mr. DAVY: Mr. Glyde is certainly competent to express an opinion, but I do not think that the Crown Law officers are able to express that opinion in the same way as is a practitioner in practice. The Minister should confer with one or two of the leading conveyancing lawyers. They have no axe to grind. It does not matter to them what is done, except that if the scheme works badly it will be more difficult for them to perform their duties. From this source the Minister would at all events get an impartial opinion. I would not like to oppose the second reading, but I should like the matter to be delayed for a few days, so that the Minister may make further inquiries.

The Minister for Justice: I will agree to an adjournment if you like.

Mr. DAVY: I will assist the Minister to get into touch with persons who will have a thorough grasp of the situation.

On motion by Mr. Taylor, debate adjourned.

BILL—FAIR RENTS.

Second Reading.

Debate resumed from the previous day.

Mr. MILLINGTON (Leederville) [5.12]: There has been no greater demand for any measure than for this one. The criticism of the Opposition has been directed not so much against the Bill as to the raising of quibbles. We shall have to divide ourselves on the two questions, firstly, whether we agree to the position as it exists to-day, and secondly whether we are going to make an attempt to regulate rents. No one has yet congratulated the Minister upon the introduction of what is an ingenious measure, when we consider the intricacy of the subject dealt with. Rents certainly require to be regulated, and members of the public have expressed a desire for this to be done. The majority of those concerned say that the introduction of this Bill is entirely necessary. This opinion comes not only from the householders, but in very emphatic form from the business section of the community. For a long time past there has been this demand on the part of the business section of the community, apart altogether from those who rent dwelling houses. Some time ago we were negotiating with a section of employers, the master hairdressers, as to wages. They wrote to us stating that on account of slackness of business they were compelled to reduce wages by £1 per week, from £5 to £4. During the conference the position was investigated from various standpoints. We asked the masters why they were demanding a reduction, and whether they were not satisfied that the tradesmen were entitled to the existing wage. The reply was, "We have no option; we find it impossible to make the business pay." We then suggested that it would be well to inquire into other expenses of the business besides wages. I asked the employers had they gone in a body, as they came to us, to the landlords and suggested that in view of the slackness of business rent should be reduced. The reply I received was that they had not done so. Then I said, "I suppose some of you are working on overdrafts. Have you gone to the banks and suggested reduction of the rate of interest?" The reply again was in the negative. I then asked, "Why have you come to us?" The employers answered, "It is the only way we see of reducing costs, and we thought you would be reasonable." After the conference, but not during the conference, the chairman said to me, "There is a good deal in what you stated. In my case the rent was raised from £5 to £8 only last week." I then pointed out to him, as I now point out to this Chamber, that his is the section of the community who are particularly hard hit by rack renting. This man was of the type whose initiative builds up a bus-

iness. As a fact, such are the men who make premises more valuable as business sites. However, instead of getting the advantage of that, the man with initiative is placed at a positive disadvantage, because the landlord uses his tenant's enterprise to charge him a higher rent. The business man naturally says, "I want some protection against the landlord commandeering the goodwill of the business I build up." The more enterprising a business man is, the more risk he runs of being penalised by the landlord through increase of rent. Even further back I was discussing this same matter with a business man. I did not raise the question: the first query he put to me was, "Are you in favour of a fair rents Bill?" I said, "Yes, we certainly are." He then said, "I am with you as to that, although not generally a supporter of the Labour Party." He was renting a building which to my knowledge has not been altered for the last 20 years. Immediately his lease ran out, the landlord raised the rent from £16 per week to £25. That increase of rent was due entirely to the tenant having built up a business and thus made the premises more valuable from a commercial point of view. That is the difficulty under which our business people labour. Then, of course, we have to look after ourselves. We have to realise that if the business section of the community are taxed in this manner, they must pay the increase in the first place, but we shall have to pay it eventually. The business section cannot carry on unless they can pass on such increases. Therefore the general community has to be protected as well as the business community. So the present Government's attempt to regulate rents, instead of being decried, should be welcomed by all sections, whether in this House or outside it. Irrespective of the criticism levelled at the Bill, I am confident that there is a general demand outside for this protection. In other countries probably a different method of dealing with rack renting, such as undoubtedly exists in Western Australia, would have been involved. Here, however, we preach the observance of law and order, and rightly so.

Mr. Taylor: That is all we do. Only a few of us practise that doctrine.

Mr. MILLINGTON: Instead of suggesting that the respectable business section of this city should demonstrate and raise flags, and smash windows against landlords, we suggest this method of legal regulation of rents. If the general demand is not heeded by the Government and no protection is given, I do not know what will eventually happen, because there seems to be no limit to the—

Mr. Taylor: Avarice.

Mr. MILLINGTON: "Avarice" will do. Perhaps it might be called thieving. There is no limit to what the landlords are prepared to demand. Indeed, they have the

economic power to demand practically any rent. We can discard the question by saying, "Let the two parties fight it out"; or else we can say that we will make an attempt to protect people who are entitled to protection, because otherwise we shall be neglecting our duty and shall not be worthy of the confidence which the people have reposed in us. It has been contended that the passing of this Bill will restrict building. If it could have such an effect, it ought not to have been introduced. I fail to see, however, that the measure will restrict building in any way. In all the arguments used against the Bill it has never been suggested that 8 per cent., plus all the allowances provided, does not represent a fair return from the money invested. Therefore any building likely to be built will not be discarded by reason of the passing of this Bill. Any builder to-day would be well satisfied if he felt sure of getting 8 per cent. clear on his investment.

Mr. Latham: More is obtainable in other directions.

Mr. MILLINGTON: Not from dwelling-houses. There may be something to be said as regards properties undervalued relatively to their present market value; but certainly new buildings would not be valued at less than the actual cost. Thus building will not be restricted by this measure, not even speculative building. Neither will people be prevented by this measure from erecting homes for themselves. I am inclined to favour the suggestion that the best way out of the difficulty is to erect more homes for the people.

Mr. Taylor: Why isn't that being done? It can't be a payable proposition.

Mr. MILLINGTON: We on this side of the House without exception regret deeply that the Government have not been able to proceed with an extension of the workers' homes scheme. During the election I said plainly that if the Labour Party were returned to power, the workers' homes scheme initiated by Labour would be extended. However, the financial position is such that the Government are for the present unable to extend the scheme.

Mr. Taylor: If there were an election to-morrow, the same tale would be told to the people—not by the hon. member speaking, but by others.

Mr. MILLINGTON: If it comes to that, I have read some of the election speeches of the hon. member interjecting; and he can give points to anything I can do in the way of promises—ridiculous promises at that.

Mr. Taylor: You have never read an election speech of mine. There is no Press in my electorate.

Mr. MILLINGTON: I made it my business to find out what the hon. member was saying, and the reports were not contradicted by him.

Mr. Taylor: I never saw the reports.

Mr. MILLINGTON: I know the hon. member's electioneering tactics. During the last general election we were justified in saying that Labour's workers' homes policy would be continued and extended. However, extension is impossible for the time being. The money simply is not available.

Mr. Taylor: But you are building some homes.

The Minister for Justice: A few, with repayments of money.

Mr. MILLINGTON: That is not an extension of the scheme. An extension of the scheme would mean that new money was brought into it. Of course, new money would be much dearer than the money now in the scheme; and an extension would thus be at a disadvantage as compared with the original scheme. Independently of the rate of interest, however, I still believe that with the organisation at the disposal of the State it is possible to build workers' homes as a good commercial proposition. In my opinion, of all schemes started by Labour, the workers' homes scheme has received the greatest measure of approval from the people generally. Undoubtedly it has supplied a public need. It has been appreciated, and still is appreciated, by the people; and its extension is hoped for generally. Although now we are trying by means of legislation to overcome an evil which is admittedly rampant, yet I believe that the evil will be overcome to a greater extent if ways and means can be devised to enlarge the workers' homes scheme. Independently of anything done by private enterprise, we must utilise that method of placing houses at the disposal of the people. I hold, also, that an attempt should be made to build a cheaper class of house under the workers' homes scheme. I remember a deputation to the ex-Premier on this question nearly two years ago. Sir James Mitchell then expressed the view that at the current rate of interest, and with the current cost of building, it was not commercially practicable to build more workers' homes. He said a man on £1 a week could not pay the interest on the capital expenditure on a brick house. I am inclined to agree that it is a tax the worker on the minimum wage cannot stand. Still, I believe cheaper homes could be built, and that they would be welcomed by a large section of the community. On the group settlements it has been discovered that a decent weatherboard cottage can be built at a cost of about £400.

Mr. Latham: At less than £300.

Mr. MILLINGTON: A finished house cannot be built for less than £300. I know that a four-roomed weatherboard place lined with lath and plaster can be built for £400. Any worker could finance a home like that. Yet they are decent homes, fit to live in, far better than some in which

workers are forced to live. And they could be rented more cheaply than can some of the slum-houses in East Perth and Leederville. The provision of those cheaper homes is for the State to undertake.

Mr. North: If the Government were able to build such homes, would you be in favour of the Bill being dropped?

Mr. MILLINGTON: No, for the Bill would still be necessary to the business community, although it can have but very little effect in respect of dwelling houses. In addition to the rents we pay for our dwelling houses, we have also to pay the extortionate rents demanded for business premises. It is the duty of the House to make an attempt to reduce rents to a reasonable standard. In spite of the criticism aimed at the Bill, great credit is due to the Minister for his effort to improve the situation. Those members anxious to protect the public should do what they can to make of the Bill a workable measure, rather than content themselves with denouncing it. Unconsciously, perhaps, the member for West Perth (Mr. Davy) put the case for the investor.

Mr. Latham: And he was also looking after the interests of the workers.

Mr. MILLINGTON: The investors are always well able to look after themselves. The rate of rent is to a large extent controlled by the price of money, and the investors take good care to see that they get a return for their money. But no attempt is made to protect the rent-payer. Despite the decrease in the value of money the rate of interest has increased. That cannot be controlled within the Commonwealth, and so it is rapidly mounting year by year. Someone has to pay, and in this instance it is the rent-payer. It is time an endeavour were made to protect the interests of those victims of the economic position. The Bill seeks to do that. Only a little while ago we were informed that the chartered banks had increased the rate of interest by one-half per cent. Nobody made a fuss about it, and so the increase was passed on. Now, I understand, a further half per cent. increase is expected.

The Minister for Justice: Notice has been given.

Mr. MILLINGTON: Someone has to pay for it. It will have an immediate effect on the rent-payer. If no attempt is made to protect the man who has to pay it, the rate of interest will be increased with impunity whenever the opportunity occurs. However, the time must come when the people will assert themselves and refuse to be robbed any longer. Then a stop will be put to this raising of the rate of interest. It has been asked by what right it is sought to regulate rents. It is not very long since it was considered impossible to regulate wages. Yet to-day the Arbitration Court has no difficulty in regulating wages. The court assesses the value of a man's work.

Mr. Taylor: The court measures a man's capacity by what he can eat and wear.

Mr. MILLINGTON: The court assesses the value of his work. Yet it is contended that the Bill is impracticable. For one thing, the Bill will find great favour in another place, for as we know, another place represents the householders and, of course, the householders are rent-payers. So, as I say, another place can be relied upon to protect the interests of the rent-payer. I shall be surprised if the Bill is not acclaimed in another place. It will be the most popular measure ever introduced there.

Mr. Lindsay: You seem sure that it is going to pass this House.

Mr. MILLINGTON: Yes, we shall be able to manage that all right. We have now one argument that appeals to members opposite. I have discovered it, and that argument will be responsible for the passage of this measure. The other place, representing as it does the family man of the community, having his interests at heart, realising also year in and year out that he has been robbed, will naturally say, "This man shall be protected by us." I commend the Minister for having introduced a Bill framed on equitable lines. He had a most difficult problem to tackle, so difficult in fact that no other Government cared to face it.

Mr. Teesdale: Yes, a terrible strain; we can see it in the Minister's face!

Mr. MILLINGTON: If there is a measure that meets with general approval, it is this. I repeat that I am confident it will be received with acclamation by another place, and that it will eventually become law and will have a salutary effect on those who have been battenning for years past on rent payers, those whom we call rack-renters. We must divide ourselves into two parties, one to stand for fair returns for money invested, and the other to stand for those rack-renters who set themselves out to rob the rent payers. I support the Bill.

Mr. BROWN (Pingelly) [5.47]: I intend to oppose the second reading of the Bill.

Ministerial Members: Why?

Mr. BROWN: Because it is not opportune.

The Minister for Justice: Is that all?

Mr. BROWN: We have been told that the Government are not in a position to build workers' homes, that there is no money available for this work. Then the only thing to do is to encourage capital to come here and to provide the houses that are required.

Mr. George: Would you advise anyone to build houses in this State to-day?

Mr. BROWN: I contend that every worker should own his own home, but after what we have heard, this is impossible for the time being. Listening to the debate I have been struck by the remarks of the member for Guildford (Hon. W. D. John-

son). He said that the law of supply and demand had nothing to do with the rents of houses and he drew an analogy between the present price of wheat and the rents of houses. He uttered the most extraordinary remarks I have ever heard from a man who is supposed to possess business ability. He admitted that the price of wheat had gone up by leaps and bounds, and stated that the law of supply and demand had had nothing to do with that increase. And he also admitted that he did not know why. I can tell him that supply and demand have everything to do with the price of wheat to-day. At the present time the world is depending on the Southern Hemisphere for its supply of wheat. Last year the northern crops did not yield what was expected. Canada was 200 million quarters short. The returns from Argentine are not favourable, and in fact at one time the reports from Australia were not too promising. The question then arises, who increases the price of wheat? It is not the consumer; it is the speculator. There are men who watch the markets and who watch the crops of the world, and when reports come along indicating that there will be a shortage, these speculators get to work and buy wheat that is not in existence. And the hon. member tells us that supply and demand have nothing to do with the price! The position is practically the same with regard to houses. If there are more houses in a town than are actually required, a landlord will be only too eager to let a tenant in at whatever he can get. If there is a demand, the landlord puts up the rent to a figure that he thinks will pay him. I have owned a house in Perth and I have also rented houses. During the war period I lived in a house in Colin-street the value of which was, perhaps, £1,000. I was paying £1 a week for it and the landlord paid all the rates and taxes. I found that he was getting a return of about 4 per cent. on his money.

The Minister for Justice: He would get twice as much under the Bill.

Mr. BROWN: To-day the same owner is getting 30s. or 35s. a week for the house, but even then he is not getting 8 per cent. There are hundreds of landlords who, no doubt, would eagerly welcome a Bill like this if they were sure of getting 8 per cent. for their money. This is still a young country, and it would be quite wrong for us to restrict private enterprise in any way. Let us look at the building operations that are going on in Perth to-day. Will it be an encouragement for anyone to build if we put a measure like this on the statute-book? Will anyone attempt to improve the appearance of any locality if he is not sure of getting an adequate return for his outlay? People who have been in the habit of investing their money in house property will prefer to put it into gilt-edged securities such as Commonwealth bonds. Take the case of Mr. Padbury, who is laying out

an immense sum of money and who is doing much towards beautifying the appearance of that part of Perth opposite the post office. It is quite wrong for us to introduce a measure that is likely to restrict the operations of private enterprise in any shape or form. Members on the other side of the House do not believe too much in private enterprise, but where private enterprise is, so will the money be found and wherever that money is, labour follows. The question arises whether we have a sufficient number of houses for residential purposes. Of course this measure will apply only to Perth, because in many of the country towns houses are built that will never return anything like 8 per cent., perhaps not even 5 per cent.

Mr. Hughes: What about Narrogin? The tenants there complain of the exorbitant rents in the main street.

Mr. BROWN: There is nothing to stop private enterprise building additional places in Narrogin; the Government will not do so. Sometimes a person rents a shop and dwelling and starts a business, and by his own energy makes that business flourish. The landlord observes what is going on and decides to put up the rent. Of course, if he is a clever person, the tenant will get a lease beforehand. But position controls everything. Premises in Hay-street or Murray-street command a great deal more rent than those in the suburbs. A dwelling house may be erected in Hay-street at a cost of £600 on a block of land worth £1,000, and the owner of the house would get a little more for it than would the owner of a similar place in the suburbs, but he would not be getting an adequate return. The town of Narrogin has been mentioned, and in a case like that there is nothing to prevent people whose residences are in the main street from moving a street or two away, where the rents will not be so high. The position is just the same in the town of Pingelly, where I reside. The measure has been introduced to benefit the working class and it will do good if capably administered, but if it retards building operations and so makes houses scarcer than they are now, it will be the workers themselves who will suffer more than anyone. Queensland has been mentioned as having passed legislation of this description, but I have been informed that immediately the Bill became law in that State, building operations, on the part of private enterprise ceased.

The Minister for Justice: That is not so.

Mr. BROWN: And that capital, instead of going into buildings, was put into Commonwealth bonds returning $6\frac{1}{2}$ per cent.

The Minister for Lands: You said just now that private enterprise was not getting 8 per cent.

Mr. BROWN: In many instances they are getting barely 4 per cent.

The Minister for Justice: The Bill will not make them any worse off; it will improve their position.

Mr. BROWN: I am sorry that politics have been brought into the discussion. I regret the statement made by the member for Guildford (Hon. W. D. Johnson), who said that one member sitting on the Opposition side of the House spoke only in favour of the point of view of his constituents who were landlords. If ever a speech was made to the gallery, it was that delivered by the member for Guildford. No one knows better than he that what he said was camouflage from beginning to end. I did not intend to speak on the Bill, because it is one more for business men and lawyers. I have applied a little bit of common sense to the measure, and I may add that I have had one experience of the letting of houses. I have spent some of my money in that direction, and I can assure the House that I have spent the last money I will ever put out in house property.

Mr. GEORGE (Murray-Wellington) [6.2]: From what I have read and heard of the debate, I believe that the inconsistencies of the Bill have been effectively pointed out. From the attitude of members sitting on the Government side of the House, however, I believe that all efforts to point out those inconsistencies are unavailing.

The Minister for Justice: Not at all.

Mr. Sleeman: You can help to improve the Bill.

Mr. GEORGE: Owners of small house properties will be very well off if they get a return of eight per cent. As it is at present there may be isolated instances concerning property bought years ago, on which a return of eight per cent. on the original outlay has been received. If, however, we were to take, as the municipalities and road boards do, the valuations upon which those properties are taxed, I undertake to say that no one is receiving eight per cent. on his financial outlay, nor is anyone likely to get it.

The Minister for Lands: The owners are taxed on the annual values.

Mr. GEORGE: The silly business of making provision for the addition of 20 per cent. of the cost of buildings constructed or purchased before 1915 only is indeed absurd and I cannot understand how the Minister could agree to include such a clause. I know where there is land in Perth to-day that was bought in the early days for two bottles of whiskey and a bottle of rum. To-day the properties are worth more than £1,000. In such instances, where is the valuation to be derived in order to ascertain what will be a fair rent for those particular properties? Forty years have passed since they were bought. We know that money invested at five per cent. will double itself

in 15 years, and applying that basis to the property in question, I presume the valuation would be about two bottles of rum and six bottles of whisky. I should have thought that in all fairness, members, apart from their political views and the pressure brought to bear on them by one section of those interested, would have accepted the valuation fixed for taxation purposes by municipalities, road boards and the State and Federal Taxation Departments. At any rate, that basis would have provided a fair jumping-off ground. If that basis had been taken, I defy contradiction of my statement that owners of house properties are not getting a return of eight per cent.

The Minister for Justice: This Bill will not affect them.

Mr. GEORGE: Some silly people advance the old fetish that all that is necessary to start a business is to stick up a sign: "Government of Western Australia. Fish merchants and butter merchants." They think that customers will come at once. Experience teaches, however, that that is not how business is created. The fetish regarding fair rents is somewhat along the same lines. Rents should be fair, not only to the occupier, but to the owner of the property, bearing in mind the obligations that go with the property. Take the position of a man owning a row of cottages. The land may have been acquired 30 years ago for a small amount compared with what could have been paid for them to-day. He may have built cottages on that land, and borrowed money on the property, giving a mortgage as security. When it comes to a question of determining what shall be a fair rent for the cottages, is the mortgage to be taken into account? If that is not so, and the basis is merely that outlined in the Bill, it will amount to confiscation. A great many people will be ruined. It would appear that the Government have advanced this legislation as a first step in dealing with the unearned increment on land. I do not know what that means and I do not think anyone in this House can explain its meaning to me. It is true that land becomes more valuable because of the progress of the State. Has not the owner of the land contributed towards the progress of the State with his money, his energy and his time? Had that man invested his money in some other way, he might have received a far greater return, but because he has held on to his property, is he to be penalised compared with the man who arrived many years afterwards and reaped the advantages of the work of the pioneers during the early days. When I came to Western Australia in 1890, there were to be seen in Barrack-street and Hay-street the four-roomed cottages of the pensioners, built on their own blocks. How is it that to-day we find magnificent shops erected on those old pensioners' blocks? It

is because the values of those properties have advanced, but those in favour of the Bill contend they have nothing to do with that fact, that the people concerned had acquired the land and therefore they would be taxed. Land that was obtainable for £100 40 years ago, will, under the Bill, be dealt with on the basis of so much for the land, so much for the building and for the rentals; that will be cut down and eight per cent. allowed as a return. What nonsense! Has not the individual some right to the unearned increment because, perhaps, of his large family that grows each year? When people raise this fetish about fair rents, they should consider it quietly and ask themselves, "If I had any property, what would I do?" It is all very well to raise such a matter as an ideal, but there seems to be a great tendency to take for those who have not, from those who have. There are many people who own their own properties—there are not so many as I should like to see—and who may have to leave Perth because their work takes them elsewhere. Take for instance a railway man. He may have a cottage and may be transferred to Northam. He will desire to let his house. What will he do? He will endeavour to get the biggest rent that he can for his house. That is human nature and the Minister cannot alter it.

The Minister for Justice: We will alter it under the Bill.

Mr. GEORGE: It cannot be done. If the Government prevent people from getting a fair return for their properties in such circumstances, once the legislation is put into operation there will be an outcry throughout the State. That agitation will show that the proposals of the Government are absolutely impossible. What rubbish it is for the Minister to talk about guaranteeing a return of eight per cent. on the money invested! I have some property and as soon as I can do so I shall sell out and thus get rid of it. If I could get eight per cent. on my outlay, I would be well off indeed.

Mr. Teesdale: You must admit that there is some scandalous extortion going on.

Mr. GEORGE: I will not say anything about that.

Mr. Teesdale: There are some rotten things.

Mr. GEORGE: Sometimes tenants pay their rent; sometimes they do not. I have one tenant who owes me two years' rent.

Mr. Hughes: You must be a good landlord.

Mr. GEORGE: I have endeavoured to get the rent from them and have tried to get them out of the place. Apparently the only way to do that would be to turn the tenants into the street.

Mr. Hughes: Are you a typical landlord?

Mr. GEORGE: About three months ago I was asked to let my house to a person who was well recommended. The house was taken for a term. It is empty to-day. The reason was that the individual's employment took him somewhere else. That tenant did not hesitate for a single moment. He broke the agreement and unless I choose to sue him, I can get no redress whatever. From what I can see of the Bill it is unworkable; I am sure it is unjust; I believe it to be unwise. I do not think it is in the interests of the working class. I believe that every man, if possible, should have his own house. That would be the finest thing for the individual and for the State. Unfortunately when people have to shift about because of their employment, it is not possible for everyone to possess his own house.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. Taylor called attention to the state of the House.

The Premier: It is a bit thin.

Bells rung and a quorum formed.

Mr. SLEEMAN (Fremantle) [7.32]: I support the Bill. I think it might have gone a little further, but still it is a step in the right direction. The member for Perth (Mr. Mann) admitted that there was need for such legislation in his electorate. If there is one part of the State that more than any other needs a measure of this kind, it is Fremantle.

Mr. Taylor: Fremantle wants everything.

Mr. SLEEMAN: No doubt a fair rents Bill is also required throughout the metropolitan area. Provision should be made for tenants to recover overcharges made by landlords. The Bill does provide that in certain instances a tenant may recover, but that does not operate until he has been to the court and the court has fixed the fair rent. If the Bill is passed, the landlord will know exactly what rent he can charge, and the tenant should then have an opportunity to go to the court and put up his case. If the court decides that he has been overcharged, he should be able to recover the difference. In Committee I shall move an amendment to that effect. Recently one of the biggest landlords of private houses in Fremantle has increased his rents by 2s. 6d. a week on small dwellings and 5s. and 6s. a week on large houses. Whether he thought to get in before the measure begins to operate, it is hard to say.

Mr. Taylor: Perhaps he was charging low rents before that.

Mr. SLEEMAN: I consider 8 per cent. on the capital cost a fair thing. The member for Pingelly (Mr. Brown) said it

was impossible to get a return of 8 per cent. If it is impossible for landlords to get that return, I cannot see why he should object to the Bill, because the measure will permit them to get 8 per cent. after allowing for rates, taxes and insurance.

Mr. Lindsay: You do not guarantee the landlord 8 per cent.

Mr. SLEEMAN: Of course not, but we allow him to charge up to 8 per cent. If the landlord cannot get 8 per cent., why should members object to the Bill?

Hon. Sir James Mitchell: Reduce it to 4 per cent.

Mr. SLEEMAN: The measure will be to the advantage of business men rather than working men. In Fremantle there have been a lot of inquiries from business people as to when the Government intended to bring down a fair rents Bill, from people who probably have never voted for Labour in all their lives.

Mr. Sampson: You do not suggest it has been brought down for the purpose of vote-catching.

Mr. SLEEMAN: No, but supporters of the Opposition have been inquiring for the measure, just as much as have supporters of the Government.

Hon. Sir James Mitchell: Business people are more concerned about the goods in the ships.

Mr. SLEEMAN: When business people are charged high rents, they pass them on to the consumer. With a fair rents court to prevent the charging of exorbitant rents, business people will be able to sell many commodities at reduced prices.

Mr. Lutey: You will not get Abrahams' vote.

Mr. SLEEMAN: I'll tell the hon. member all about Abrahams in a moment. It would be as well if he were returned to the country to which he belongs.

Mr. Lutey: He comes from Victoria.

Mr. SLEEMAN: Then he must be a Russian Jew. In 1917 that gentleman purchased some shops at Fremantle for £17,500, for which he received rents amounting to £1,985. In 1923 the rents were put up to £3,600.

Mr. Taylor: Due to the prosperity of the country.

Mr. SLEEMAN: But he was not satisfied with having raised the rents. Ten of the eleven tenants in his shops at Fremantle have had to subscribe to a condition to provide the shops with new fronts, the cost of which has averaged £150 to £200 each.

Mr. J. H. Smith: It must be a payable proposition for the tenants or they would not be there.

Mr. SLEEMAN: They will be better off if this measure becomes law. Members must agree that it is time we had legislation to safeguard the tenants of a landlord of that sort.

Mr. J. H. Smith: If you could discriminate, I would agree with you.

Mr. SLEEMAN: The ex-member for Fremantle, who was one of Abrahams' tenants, had to get out of his shop in a hurry.

Mr. Taylor: He did not get out of it in as big a hurry as you put him out of his seat.

Mr. SLEEMAN: There is no ill-feeling between us. We have been friends for years, and neither of us would allow his political opinions to interfere with personal friendship. Reference has been made to the houses erected prior to 1914, and it cannot be denied that 20 per cent. on the actual cost of such houses is a very reasonable return. I hope members, when the Bill reaches the Committee stage, will support the amendment I have outlined. If no costs are to be allowed to the tenant who goes to the court, there should be means to recover the excess rent he has paid.

Mr. E. B. Johnston: How far back would you go?

Mr. SLEEMAN: At least 12 months.

Mr. Taylor: You want to catch your Fremantle friend.

Mr. SLEEMAN: I am not out to catch anyone; I am supporting a broad principle. I hope the second reading will be carried.

Mr. J. H. SMITH (Nelson) [7.41]: I feel inclined to support the second reading because fair rents legislation is required in the country towns as well as in the metropolitan area. I know of some of the anomalies that exist, but I should like the Minister to give a satisfactory reply to the questions raised by the member for West Perth (Mr. Davy). A man may have invested capital amounting to £10,000 before the war in buildings that to-day would cost two or three times as much; yet he would be penalised under this measure. Extortionate rents are being charged and something must be done, but I do not think the Bill as it stands will achieve the object the Government have in view. I shall support the second reading stage because I think it will be possible in Committee to amend the more drastic provisions and evolve a useful measure.

The MINISTER FOR JUSTICE (Hon. J. C. Willcock—Geraldton—in reply) [7.43]: There has been some criticism of the Bill and not all of it has been favourable. Various aspects have been dealt with, but this is not a cast-iron measure to be passed without members being permitted to dot an 'i' or cross a 't.' When moving the second reading I said that if members were able to evolve a workable measure to prevent extortion and robbery in connection with shop and house property in the metropolitan area, I would not be averse to accepting amendments. Practically everyone recognises that some restriction of the present

system is necessary, particularly in the metropolitan area, and both in the business and residential sections. The figures I quoted showing the rents charged in Perth have proved that the rents are steadily increasing. Something must be done to prevent this unwarrantable and unjust increase. It was said that the Bill was impracticable. It does not differ in principle to any extent from Acts in operation in other parts of the world. If it can be made more practicable I shall not object. Legislation on the principle of rent-fixing has been proved to be practicable in forty or fifty different countries. The member for West Perth (Mr. Davy) said I quoted Zanzibar and Hong Kong.

Mr. Davy: Did you not?

The MINISTER FOR JUSTICE: I did, and many other places. I quoted United States, New Zealand, England, and Holland, these being important countries, and I also quoted New South Wales, South Africa and other places even more important than Zanzibar. The necessity for rent legislation is apparent not only in larger countries but in smaller places. All the world over it has been found necessary to restrict the rapacity of landlordism. If legislation is necessary in those places, and the public of this State consider we should adopt the principle here, surely no one can say that a rent-fixing measure is impracticable in its application to Western Australia! It was also said that the Bill was unnecessary. Members have agreed that extortionate rents are being charged in the metropolitan area, and some have quoted instances proving how necessary it is that we should restrict the actions of rack-renting landlords.

Mr. Taylor: The Bill will ruin the landlords in my electorate.

The Premier: No one pays any rent there.

The MINISTER FOR JUSTICE: It was also said that the experience of other countries proved that legislation of this kind was not justified and did no good.

Hon. Sir James Mitchell: The question is, will it do any harm? You do not want to put up rents against the workers, do you?

The MINISTER FOR JUSTICE: No. The Bill should do a lot of good and the principles enunciated in it are fair. Many members have had personal experience of what returns can be obtained from a property. It has been said that owners of property do not now get the returns from it that the Bill will allow them to get.

Hon. Sir James Mitchell: You are putting the rents up in some cases.

Mr. Taylor: That is the objection to the Bill.

The MINISTER FOR JUSTICE: There is a provision in this Bill that will prevent rents from going up to any extent. It will provide a fair return for the money invested in property.

Hon. Sir James Mitchell: Why should you allow any return?

Mr. Davy: In some cases the Bill will not allow any.

The MINISTER FOR JUSTICE: Yes, it will. Let the hon. member read the Bill.

Mr. Davy: I have read it carefully.

Hon. Sir James Mitchell: The Minister cannot read it now.

The MINISTER FOR JUSTICE: If a particular clause in the Bill is not understood I may have to explain it for the purpose of getting through the second reading.

Mr. SPEAKER: The Minister may not read any clause, but may explain it.

The MINISTER FOR JUSTICE: I will do that in Committee. Sufficient members have endorsed the necessity for the Bill to permit of the passage of the second reading stage. We can discuss the details later. The question of agency fees, and the allowance for a house being untenanted can also be dealt with in Committee.

Mr. Sampson: It is important that the rents should be collected.

Hon. Sir James Mitchell: You are getting a good rent for some of the railway cottages.

The MINISTER FOR JUSTICE: The Bill provides that the Government shall be subject to its provisions.

Hon. Sir James Mitchell: You ought to do justice without the Bill.

The MINISTER FOR JUSTICE: It is because of the people who are being championed by members opposite that this Bill is necessary.

Hon. Sir James Mitchell: We look after the workers.

The MINISTER FOR JUSTICE: As representatives of the worker we think—

Hon. Sir James Mitchell: You are no more their representatives than we are.

The MINISTER FOR JUSTICE: As representatives of some of the workers we think this Bill is necessary. There has also been a general public demand for it during the last two or three years.

Hon. Sir James Mitchell: I think the Minister must have been pushed into this.

The MINISTER FOR JUSTICE: I was a member of the Labour Congress that sat two or three years ago, when it was considered that legislation of this kind should be brought in. I supported the idea then, and do so now.

Mr. Heron: If you had not done so you would have slipped.

The MINISTER FOR JUSTICE: The member for West Perth asked whether the experience of other countries warranted the Government in bringing down this Bill. I have shown what occurred in the Eastern States, and last night the member for Guildford (Hon. W. D. Johnson) quoted some figures concerning them.

Hon. Sir James Mitchell: They were against the Bill.

The MINISTER FOR JUSTICE: Legislation dealing with fair rents was introduced into New South Wales in 1916. Since then, on the figures that are adopted by Mr. Knibbs, the rents in New South Wales have gone up 415 units. In Melbourne where no legislation has existed, there has been an increase of 583 units; in Brisbane where no legislation existed until four years after, there has been an increase of 600 units; and in Hobart an increase of 688 units. About two-thirds of the average increase in rents was apparent in New South Wales as compared with the other States which had no rent-fixing legislation. Rents increased everywhere in the States, but the increase was not so great in New South Wales, by about 33 per cent. on the average, as compared with those places where there was no legislation. In the first year of rent-fixing legislation in New South Wales, rents dropped in Sydney by 8 units, increased in Melbourne by 4 units, in Adelaide by 2 units, and in Perth by 21 units. Where legislation is in existence the increase has been less than in other cases. The increase in Queensland, prior to the introduction of rent-fixing legislation in 1920, was 46 units in 1918, 78 in 1919, and 78 in 1920. After the legislation was introduced the increase in Brisbane was only 18 units, as compared with 97 in Melbourne, 59 in Sydney, 73 in Adelaide, 59 in Perth, and 67 in Hobart.

Hon. Sir James Mitchell: In all the prosperous States the rents have increased.

The MINISTER FOR JUSTICE: In those States where no rent-fixing legislation was in existence rents increased to a greater extent than where it was in operation. That disposes of the argument that the passing of such legislation does no good. It has a beneficial effect, as I have shown.

Hon. Sir James Mitchell: In Victoria the people are building splendid houses.

The MINISTER FOR JUSTICE: And the average rent is going up there to the extent of about 7½ per cent. every year. Everyone who has been to Melbourne during the last three years knows how high the rents are. A friend of mine said he could not get a decent house near the city under £2 a week.

Mr. Sampson: I hope this Bill does not cause more of our builders to leave here.

The MINISTER FOR JUSTICE: This Bill will give anyone who wants to invest money in houses a fair return.

Hon. Sir James Mitchell: No one but a lunatic would build houses on an 8 per cent. investment.

The MINISTER FOR JUSTICE: If it is the rate of interest that constitutes a blot on this Bill we might bring in some other method of incidence.

Hon. Sir James Mitchell: It is nearly blotted out.

The MINISTER FOR JUSTICE: Almost every member opposite said that

owners did not get the return from their investments that is now provided in the Bill.

Mr. Taylor: That is the reason for the scarcity of houses.

The MINISTER FOR JUSTICE: They say it is no use investing in property.

Hon. Sir James Mitchell: That is the Minister's experience.

The MINISTER FOR JUSTICE: That was the experience of members opposite.

Hon. Sir James Mitchell: You said that. No one would build on an 8 per cent. return.

The MINISTER FOR JUSTICE: Members have said that owners are not getting the return the Bill provides for.

Hon. Sir James Mitchell: You said that.

The MINISTER FOR JUSTICE: The member for Murray-Wellington (Mr. George) said so, and quoted instances to show that not more than 3 or 4 per cent. was obtained on property.

Mr. Davy: You are not going to allow more than 8 per cent. on the present value of the building.

The MINISTER FOR JUSTICE: We are going to allow 8 per cent. on the actual cost to the owner, plus all necessary outgoings incidental to the ownership of the property.

Mr. Davy: But if a man happened to be left a building, he would not be allowed to charge any rent at all.

The MINISTER FOR JUSTICE: Such a man would get a fair return from his property, too. If that is not clear in the Bill, the necessary amendment can be made in Committee. I do not think the alteration of more than one word would be needed. The present position with regard to housing is affecting the economic life of our people. I do not know whether it has had an effect on the marriage rate, but I do know that there are people who cannot afford to get married, simply because they cannot afford to pay current rents. At present the weekly rent often absorbs as much as two days' pay.

Hon. Sir James Mitchell: One day's wage is quite enough to pay for rent.

The MINISTER FOR JUSTICE: But far more is being exacted from tenants.

Hon. Sir James Mitchell: Why aren't houses built more cheaply?

The MINISTER FOR JUSTICE: That is a matter I cannot deal with at the present moment.

Hon. Sir James Mitchell: There are the State Sawmills and the State Brickworks.

The MINISTER FOR JUSTICE: Whatever a building has cost is taken as the basis of a fair return under the Bill. There is a complaint that people are living in flats on account of the height to which rents have soared. The flat system does not obtain to any considerable extent in Perth, but we have the worse system of two or three families residing in one house. Probably 20 per cent. of the houses costing a fairly decent rent contain two

or three families, because that is the only way in which those families can get a shelter over their heads.

Hon. Sir James Mitchell: That is very bad.

The MINISTER FOR JUSTICE: This measure will improve the position.

Mr. Davy: We oppose the Bill because we think it will intensify the evil.

The MINISTER FOR JUSTICE: Everybody admits the position is bad; we make an honest effort to remedy the evil; and then some members say that as the result of that effort the evil will become worse. Here is an experimental measure, let us say. Give it 12 months' trial to see how it operates. If at the end of next year it should be found that the effects of the measure have been detrimental to the community, I will assist in its repeal. If, on the other hand, members opposite then agree that the operation of the measure has been beneficial, let the law be retained. Anything that can be done to put a stop to extortionate rents should be done. The Opposition Leader said that some property was bought many years ago for £7 or £8 per foot, and that adjoining property was bought recently for £300 per foot. The hon. gentleman argued that it was anomalous that the respective owners should be allowed to charge rents based on the different purchase prices. Is it not anomalous, I ask, that people who bought cheaply should obtain 200 per cent. on their capital, while others, who have bought recently, obtain only 7 or 8 per cent.?

Hon. Sir James Mitchell: That cheap property was bought 60 years ago.

The MINISTER FOR JUSTICE: Not much property remains in the same hands for 60 years. The member for West Perth (Mr. Davy) said owners should be allowed to retain the enhanced value of property and should be allowed to charge interest on that enhanced value. But what causes the enhancement of value? As the result of inquiry I find that it is the rents which are charged for properties. If one wishes to ascertain the capital value of a property, one goes to a land agent, who is probably a sworn valuer. He will inquire what return is obtainable from the property, and on that return he determines the capital value. If a man increases the rent of his property from £20 to £40 per week, he raises the capital value of his property accordingly, capital value being determined by the income derivable from the property. And that is what really happens. A man has a property worth £10,000 which yields him a rent of £1,000 a year. Suddenly he puts up the rent to £2,000 a year. And then it is argued that the property is still worth only £10,000. I say the increase in the rental naturally has its influence on the capital value. If one owner in a street puts up the rent of his property, all the other owners in the street put up their rents, and thus the capital value of all the properties in that street is raised.

Mr. Davy: Rent is only a very small factor in estimating the capital value of property.

The MINISTER FOR JUSTICE: It is a very big factor. Income is the gauge of value of an investment.

Mr. Davy: The test is, what can one get for the property in the market?

The MINISTER FOR JUSTICE: That depends on the returns. From Commonwealth bonds one gets 6 per cent. If, in comparison with other investments, the average return is $5\frac{1}{2}$ per cent., the value of Commonwealth bonds rises immediately to 104 or 105. The process in the opposite direction operates correspondingly. The value of house property is determined by the rent, though not perhaps by the rent at the moment.

Mr. Davy: One could not get 5 per cent. on the capital value of most of the houses in West Perth.

The MINISTER FOR JUSTICE: In that case the Bill can do no harm there.

Mr. Taylor: Then what is the use of the Bill?

The MINISTER FOR JUSTICE: The Bill is necessary because in other places much higher returns are obtained.

Mr. Davy: I quoted West Perth property to prove that rent is not the test of value.

The MINISTER FOR JUSTICE: A sentimental value attaches to West Perth properties.

Mr. Davy: And also to business properties.

The MINISTER FOR JUSTICE: No. No sentiment attaches to business premises, as it does to homes. The sentiment of home was expounded here for hours when it was suggested that a union secretary should be allowed to go into a home.

Mr. Davy: Don't worry; he won't be allowed to go into a home.

The MINISTER FOR JUSTICE: When it was suggested that he or she should be allowed to go into a home, there was much sentimental talk about the sacredness of home. However, the bedrock test of the value of any investment is the return obtained from it. If Western Australian bank shares, instead of returning 6 per cent. returned 10 per cent., the value of the shares would rise almost immediately from £20 to £30. If an industrial concern is making a profit of 10 per cent., and that profit rises to 20 per cent., the price of the shares doubles almost straight away. I think the member for Perth (Mr. Mann) can verify the statement, that the methods adopted with regard to city property during the past two or three years have caused more heart-burning, more trouble, more financial difficulty and more worry to the people of Perth than anything else during the same period. Every man renting business premises in Perth is overshadowed by the black cloud of landlordism that threatens to overwhelm him altogether. I recommend the Leader of the Opposition to walk along

Hay-street from Barrack-street to William-street; and interview any of the persons or firms renting property in that street and hear for himself their experience of the last two or three years. The rent of business places in Perth has doubled during that time. I have had many letters from business men congratulating the Government on the introduction of the Bill.

Mr. Davy: Any tenant in the world will tell you that he is paying too high a rent.

The MINISTER FOR JUSTICE: But these rents have been increased by from 50 to 100 per cent. without any justification at all.

Hon. Sir James Mitchell: The Bill will not do any good.

The MINISTER FOR JUSTICE: We think it will. I am confident that, at all events, it will do no harm.

Hon. Sir James Mitchell: That is just what it will do.

The MINISTER FOR JUSTICE: If the hon. member thinks he can improve it he will have an opportunity in Committee. The Bill has been welcomed as an honest attempt to deal with a difficult subject.

Mr. Mann: You would have more friends had you made the Bill a little more reasonable.

Mr. Teesdale: Another 2 per cent. would have made it all right.

The MINISTER FOR JUSTICE: The Bill is perfectly reasonable, and I have no doubt that as the member for Leederville (Mr. Millington), with his six years' experience of the Legislative Council suggests, it will be acclaimed in another place. The member for West Perth (Mr. Davy) said the Bill was bad in principle. Of course that was only a statement of opinion. The Leader of the Opposition said the Bill was no good to anyone. The member for Gascayne (Mr. Angelo) said that it would penalise a special section of the community.

Mr. Teesdale: That was not the worst he said.

The MINISTER FOR JUSTICE: But all these remarks were merely expressions of opinion. Nothing tangible has been urged against the Bill. I can understand the point of view of members opposite: it is because of that point of view that they are opposite.

Hon. Sir James Mitchell: The Bill is merely humbugging people. It is of no use to the working man.

The MINISTER FOR JUSTICE: We had a mandate from the people to bring down such a Bill, and as yet I have heard no objection to it from the working man. On the other hand, we have had many commendations on the Bill.

Hon. Sir James Mitchell: Mere flattery.

The MINISTER FOR JUSTICE: Throughout the metropolitan area there has been a demand for the Bill.

Mr. Davy: Would you give the people what they want even if you knew it were bad for them?

The MINISTER FOR JUSTICE: This will not be bad for them; it will be good for them.

Hon. Sir James Mitchell: It is jolly badly supported from your own side.

The MINISTER FOR JUSTICE: Members opposite have twitted us with being prepared to use our majority to bludgeon the Bill through. Of course it is a Government measure and a party measure, but primarily it is a measure brought down to check the unwarranted increases in rent that have been imposed during the past few years. In Committee every consideration will be given to amendments seeking to improve the Bill, but any amendments that mean emasculation for the Bill will be stoutly opposed.

Question put and a division taken with the following result:—

Ayes	..	..	..	18
Noes	..	..	..	7
Majority for	..	..	..	11

AYES.

Mr. Chesson	Mr. Munstie
Mr. Collier	Mr. Panton
Mr. Corboy	Mr. Sleeman
Mr. Coverley	Mr. J. H. Smith
Mr. Cunningham	Mr. J. M. Smith
Mr. Heron	Mr. A. Wansbrough
Mr. Lamond	Mr. Willcock
Mr. Luter	Mr. Willson
Mr. Mann	(Teller.)
Mr. MacCallum	

NOES.

Mr. Brown	Mr. Taylor
Mr. E. B. Johnston	Mr. C. P. Wansbrough
Mr. Lindsay	Mr. Davy
Sir James Mitchell	(Teller.)

PAIRS.

AYES.	NOES.
Mr. Angwin	Mr. Sampson
Mr. Clydesdale	Mr. Maley
Mr. W. D. Johnson	Mr. Latham
Mr. Lambert	Mr. Teesdale
Mr. Millington	Mr. North
Mr. Troy	Mr. George
Mr. Richardson	Mr. Thomson

Question thus passed.

Bill read a second time.

BILL—RACING RESTRICTION ACT AMENDMENT.

Second Reading.

Mr. SLEEMAN (Fremantle) [8.30] in moving the second reading said: Members will be able to see for themselves that this is a harmless little Bill. Some Bills of this nature have a sting, but I can assure the

House that there is nothing of the kind associated with this. It provides that trotting shall be permitted in the town of Fremantle, that there shall be 12 meetings per annum—one a month—and that two of those meetings shall be devoted to charity. I have no desire to stress the charity aspect in the hope of being able to force the Bill through. I contend that Fremantle is entitled to permission to carry on sport of this description, and that when such permission is granted the least that can be done is to conduct a couple of meetings annually for the benefit of the charities of the town. Fremantle is one of the leading ports of the Commonwealth and the second town of the State.

Mr. MacCallum Smith: It used to be.

Mr. SLEEMAN: It is still.

Mr. MacCallum Smith: What about the shipping strike?

Mr. SLEEMAN: The hon. member has not been there to-day. The town has neither a race club nor a trotting club, and it is the only port in Australia which does not possess one or the other or a horse-racing track of some description. I admit that a few people are opposed to the Bill. Some of these are connected with the churches of Fremantle and I have every respect for them and the views they hold. Those people are entitled to their opinions, but there are others who are opposed to the Bill and whom I do not hesitate to class as rank hypocrites. We find that men connected with other forms of gambling—instances such as White City and other similar places—are strongly opposed to the Bill, and they declare that trotting is likely to do harm to the district. I do not mind opposition coming from the churches, because I respect the views held by the religious bodies, but I do strongly object to the opposition from the other class, whose opposition is, to put it mildly, parochial, meaning of course that the Bill, if passed, will deprive them of some of their profits. The parent Act provides that there shall be 76 galloping meetings in the year and five extra for charity, making a total of 81. It also provides that there shall be 35 trotting meetings, with an additional five for charities, making a total of 40. These meetings are carried out in and around Perth, but outside the metropolitan area there is no restriction. My friend, the member for Toodyay (Mr. Lindsay) will tell the House that in his district there are three trotting courses within a few miles of each other and there are four meetings annually at each of these courses—Wyalcatchem, Trayning, and Kununoppin. That hon. member will in fairness say that Fremantle is entitled to have its request granted in respect of trotting. At the present time trotting is the most popular equine sport. I patronise the trots now and again, and the gallops also, though it cannot be said, by

any stretch of imagination, that I am a betting man. Still, I enjoy myself at the trots when I attend there accompanied by my wife. I do not take my children there, because the Trotting Association, to their credit be it said, will not allow children within the grounds. In any case I would not take children to that form of sport, because it is no place for them. The trotting people employ an efficient staff, and one need not be ashamed to take his closest friends to any of the meetings.

Hon. Sir James Mitchell: This Bill does not permit gambling.

Mr. SLEEMAN: But we know that a certain amount of gambling goes on at race meetings.

Hon. Sir James Mitchell: Does it?

Mr. SLEEMAN: Yes, just a little.

Hon. S. W. Munsie: A number of those people who voted against the Lotteries Bill almost break their necks in the scramble to get to the tote windows.

Mr. SLEEMAN: The Bill provides that "Fremantle district" shall mean the area within a circle having a radius of five miles from the town hall, Fremantle. I hardly know yet where the Fremantle Trotting Club will hold its meetings, because one of the suburbs of the Port is putting up a good fight to have the meetings there. Then again, only a few weeks ago the Melville Road Board offered the club an area of 19 acres free of cost for 50 years. This will give members an idea that some of the local authorities are in favour of establishing the meetings on the Fremantle Oval?

Mr. Sampson: Would the Melville Park ground come within the area mentioned in the Bill?

Mr. SLEEMAN: Yes, it is about three miles from the town hall.

Mr. Sampson: It is not proposed to hold the meetings on the Fremantle Oval?

Mr. SLEEMAN: No. The trotting club possesses the polo ground, which will make an ideal track. Some years ago a referendum was taken on this subject, and the decision was in favour of trotting being established. At the present time if any of the residents of the port wish to attend a trotting meeting they are obliged to first take a tram, then a train, and then a tram again. I believe the establishment of trotting in Fremantle will be the means of other business going to the town. The farmer, for instance, will benefit by reason of his having to provide fodder. There will be no American petrol used and we shall find down there a class of animal of which we need not be ashamed. You, Mr. Speaker, know something about this, for you yourself at one time bred trotting horses that were a credit to the State.

Mr. Taylor: Is the member for East Fremantle against you?

Mr. SLEEMAN: Certainly not; he is a very fair gentleman. I commend the Bill to the House and trust there will be no difficulty in passing it.

On motion by Mr. Wilson, debate adjourned.

House adjourned at 8.45 p.m.

Legislative Council,

Friday, 5th December, 1924.

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The President took the Chair at 3 p.m. and read prayers.

QUESTION—RAILWAY MOTOR TROLLEES.

Hon. J. R. BROWN asked the Colonial Secretary: 1, Is it a fact that there are at the Midland Junction Railway Workshops numerous motor trolleys or tricycles intended for length runners on the railways? 2, If so, why are these trolleys or tricycles not made available for the purpose mentioned?

The COLONIAL SECRETARY replied: 1, There is one motor tricycle and 12 partly constructed motor trolleys at Midland Junction Railway Workshops. 2, The tricycle is undergoing repairs, whilst the 12 trolleys cannot be completed until tyres on order are received.

BILL—WAROONA-LAKE CLIFTON RAILWAY.

Read a third time and passed.

BILL—CLOSER SETTLEMENT

Further Recommendation.

On motion by Hon. J. Nicholson, Bill further recommended for the purpose of considering Clause 10.