

Legislative Assembly,*Thursday, 5th November, 1936.*

	PAGE
Motion, Government business, precedence	1617
Bills: Entertainments Tax Assessment Act Amend- ment, 1R.	1619
Purchasers' Protection Act Amendment, 3R.	1619
Financial Emergency Tax (No. 2), 2R.	1619
Forests Act Amendment Continuance, 2R., Com. report	1620
Police, 2R.	1620
Dividend Duties Act Amendment, 2R., Com. report	1622
Fair Rents, 2R.	1626
Factories and Shops Act Amendment, Com.	1644
Pearling Crews Accident Assurance Fund, Council's amendments	1651

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

MOTION—GOVERNMENT BUSINESS, PRECEDENCE.

THE PREMIER (Hon. J. C. Willcock—Geraldton) [4.33]: I move—

That on and after Wednesday, the 11th November, Government business shall take precedence of all motions and orders of the day on Wednesdays as on all other days.

This is a motion that is usually brought down towards the end of the session. On looking back to ascertain what had been done in the last seven or eight years, I found that a similar motion was usually moved much earlier than November. True, last year it was moved on the 12th November, but previously the motion has been tabled about the middle of October. An assurance has always been given that, though Government business were given precedence, private members' business would not be shut out entirely. The practice has been to consider private members' business at convenient times so that it could be disposed of before the end of the session. A considerable amount of private members' business has been discussed this session, and a fair proportion of it has already been disposed of, so that I consider the present a fitting time for Government business to take precedence. Each session a pious hope is expressed that the business of the House will be completed well before Christmas. As the programme of Government legislation this session was not large, we thought the session might be finished at the end of November. While that is a good goal to aim at, we never seem to attain it. Still, with four weeks to go, we should be able to finish the business of which notice has been given. The Government are not

desirous of bringing down any other important business. The only other important measure which might be introduced is an amendment of the Municipal Corporations Act. We have been trying to get this measure before Parliament for a considerable time, and the fault for its non-appearance does not lie with the Government. We have carried on correspondence and conducted negotiations with the associations and local bodies, but have not been able to reach agreement.

Mr. Sampson: That is an exceedingly large measure.

The PREMIER: The Government might introduce that Bill, and if there appeared to be a prospect of making progress with it, consideration could be continued. Otherwise the Bill might merely be introduced and allowed to remain at that stage, so that all interested could make themselves conversant with its proposals.

Mr. Sampson: Or it could be referred to a select committee.

The PREMIER: Often we are told how obsolete the Municipal Corporations Act is.

Hon. C. G. Latham: So it is.

The PREMIER: When one comes to consider it in detail, one finds that there is not a considerable amount of amendment necessary to bring it up to date. Consequently the House might be able to deal with the Bill expeditiously, and get it passed.

The Minister for Works: The Act has been in existence for a long time, and parts of it are obsolete.

The PREMIER: That is so, but the more urgent necessity seems to be to get a reprint of the Act because many municipalities cannot obtain copies of it. To reprint a considerable number of copies of the existing Act would not be worth while in view of the intention of the Government to introduce amendments at the earliest opportunity. Judging by the business sheet, I hope to be able to finish the session about the first week in December, provided too much delay does not occur. Members will probably agree to sit a little later to expedite the clearing of the notice paper, though we should not ask them to sit as late as they did on Tuesday last. I am anxious to get the business finalised in this House so that it may be forwarded to the Legislative Council in reasonable time to be dealt with there. As a similar motion has been introduced earlier than November in previous sessions,

I do not anticipate any opposition on this occasion, particularly as it is the desire of private members, as well as Ministers, to finish the business as early as possible.

MR. SLEEMAN (Fremantle) [4.37]: I take it that if we pass the motion, private members will not be debarred from bringing forward their business. I know that a similar motion is tabled each year, but the Government should recognise that when private members have business which they consider of sufficient importance to bring before the House, opportunity should be provided for its discussion, notwithstanding that Government business is given precedence. I hope that the business of no private member, either on the Opposition side or on the Government side of the House, will be shut out under this motion.

HON. C. G. LATHAM (York) [4.38]: Although the Premier has told us that a motion of this kind is usually introduced at about this stage of the session, I should have liked a little longer notice of the intention to give precedence to Government business, sufficient at any rate to enable Wednesday next to be devoted to the consideration of private members' business. About 30 orders of the day are awaiting consideration, amongst them a motion by the member for Katanning (Mr. Watts) for the appointment of a select committee on water supplies in the Great Southern districts. Should the House desire to pass that motion, little time would be left for the select committee to make the inquiry and, at the end of the session, the select committee would go out of existence. I do not know what attitude the Government intend to adopt to the motion, but if the House intends to approve of it, a decision next Wednesday would enable the hon. member to proceed with the work. The matter was mentioned last night, but the Minister for Works was not prepared to proceed, so members on this side cannot be blamed for the delay in reaching a decision. Some of the business on the paper should not be proceeded with, but we are prepared to facilitate the passing of the measures which appear to us to be in the best interests of the State. This, of course, will be conditional upon the fullest consideration being given to those measures, because we must have ample opportunity to gauge their probable effect on the community. The Premier has not told us how many more

Bills he will bring down this session. He has mentioned one containing about 530 clauses. That is a very extensive measure, the consolidation of the Municipal Corporations Act, and it will take some time to give it a thorough overhaul. I am prepared even then to give consideration to it, because I know how much it is needed, both in the city and in the country. If the Bill can be brought down early, I suggest we do something similar to what is done in the House of Commons, namely, appoint a committee made up of members from each side of the House, to go through the Bill clause by clause. That will probably save a lot of the time of the House. It would not debar other members from doing what they liked with the Bill, but would tend to satisfy the Opposition and the Government as to what clauses would be satisfactory to both sides. By that arrangement we could handle the Bill more expeditiously than would be possible if it went through Committee in the ordinary way.

The Minister for Works: You will agree to all these amendments.

Mr. SPEAKER: I think that measure had better not be discussed at this moment.

Hon. C. G. LATHAM: I have never seen it and know nothing about it. I only wish to expedite the work of the session, and to help even with respect to that Bill. The main thing we are anxious to avoid is a series of endurance tests at the end of the session. That sort of thing cannot do members any good, and cannot result in good legislation. I hope this year we shall avoid endurance tests. I also hope we shall not have to decide legislation by appointing managers representing the two Houses.

The Minister for Works: You mean, no more endurance tests.

Hon. C. G. LATHAM: We have not had any yet. I do not think there was much wrong with what we did the other night.

Hon. P. D. Ferguson: It did not exhaust the Minister for Works.

Hon. C. G. LATHAM: I am anxious to avoid late sittings. They do not lead to good legislation. Furthermore, I do not want to see the legislation rushed through. I hope Ministers will bring down any Bills they wish to introduce as soon as possible, and that they will at all events give notice

of them not later than next week. We should like to know the titles of those Bills, and we would assist the Government in any way possible with regard to them. Of course we are not going to pass all the Premier's legislation without opposition. We would be an unusual Opposition if we did agree to all this legislation going through. I hope the Premier will allow us to have next Wednesday for private members' business so that we can deal at all events with the one item to which I have referred. If the House disagrees with the motion to appoint a select committee, that will be the end of the matter, but if it does agree that will give the member for Katanning a little time in which to go on with the business.

THE PREMIER (Hon. J. C. Willecock—Geraldton—in reply) [4.45]: Actually there are only about seven private members' items on the Notice Paper; and the others are nearly all dealing with Government business in various stages. I do not wish to say to any private member, who may have something on the Notice Paper in his name, that he will get preference over any other private member, and that we will deal with that particular item. The matter in which the member for Katanning (Mr. Watts) is interested, may or may not result in the appointment of a select committee. If such a committee is going to be appointed, we must discuss the motion dealing with it at all events two or three weeks before the session closes. If I give an assurance that the matter will be brought up at an early stage, I hope that will satisfy the Leader of the Opposition. I do not wish to commit myself to having the whole of the business of private members dealt with by next Wednesday. Some of it can conveniently be left for a day or two. We are anxious to get as much legislation as possible sent to the Legislative Council. I assure the Leader of the Opposition that the matter to which he specially referred will be considered at an early date.

Question put and passed.

BILL—ENTERTAINMENTS TAX ASSESSMENT ACT AMENDMENT.

Introduced by Hon. P. D. Ferguson, and read a first time.

BILL—PURCHASERS' PROTECTION ACT AMENDMENT.

Read a third time and transmitted to the Council.

BILL—FINANCIAL EMERGENCY TAX (No. 2).

Second Reading.

THE PREMIER (Hon. J. C. Willecock—Geraldton) [4.46] in moving the second reading said: I shall not keep the House long in dealing with this Bill. It is only about a week ago that I introduced a Bill which contained all the principles that are to be found in this one. Besides these matters, however, it contained two or three other principles which you, Mr. Speaker, ruled were not competent to find a place in a taxing Bill. They will, however, be incorporated in the Financial Emergency Tax Assessment Bill which it is proposed shortly to introduce. It would only weary members unduly if I went through the whole of the subject matter of this Bill, seeing that I did so only last week. The principles contained in the Bill are word for word the same as were contained in the Bill of last week. This Bill deals with the rate of tax, the imposition of the tax, and the taxation of companies. The rates of taxation are set out in the schedule. They too are the same as were contained in the Bill of last week, although differing from what is contained in the Act at present in force. The full rate of the tax of 9d. is at present imposed when the income reaches £8 a week. Under this Bill the income would require to be £11 per week before the 9d. rate was imposed. The rate then goes up by steps of 1d. in each 30s. increase in income weekly, until we reach a rate of 12d. on incomes of not less than £15 10s. a week. I move—

That the Bill be now read a second time.

Hon. C. G. LATHAM: In order that I may have an opportunity of checking this Bill, I ask that the debate be adjourned until Tuesday next.

On motion by Hon. C. G. Latham, debate adjourned.

BILL—FORESTS ACT AMENDMENT CONTINUANCE.

Second Reading.

Debate resumed from the 29th October.

HON. C. G. LATHAM (York) [4.50]: This is merely a replica of Bills which have been introduced annually for years past. The Premier has explained its provisions. The 1930 Act set aside £5,000 of the annual revenue of the Forests Department for the purposes of reforestation of sandalwood. The department found it unprofitable to continue that work, and thus the Forests Act Amendment Act became necessary. I have no objection to the Bill. I note that whereas in previous continuance Bills the date of expiry was the 30th June, the present Bill proposes continuance from the 1st July of this year to the 31st December of next year.

MR. SAMPSON (Swan) [4.51]: A Bill corresponding to this one was referred to by me on a previous occasion, and a request was then made that the Minister for Forests should give consideration to the planting of areas with wattle, say the species *Acacia* or broad-leaved commercial wattle, as is competent to be done under the measure.

The Premier: That can be done now out of trust funds under the Forests Act, but this Bill applies to sandalwood.

MR. SAMPSON: I understand that an amount of money is provided for reforestation. Since it is not applied to that purpose, it goes back into revenue, which of course is quite in order. As I set out to say, since the broad-leaved wattle-bark is a product necessary in commerce, and since Western Australia is specially suitable for the growth of that wattle, I am hopeful that the suggestion made on a previous occasion may be carried into effect. The wattle grows with wonderful vigour in Western Australia, and there are areas where I believe it would be a commercially sound proposition to use for that purpose some of the money referred to in the Bill.

MR. SPEAKER: I do not think it can be so used. I think the hon. member is slightly out of order.

MR. SAMPSON: At all events, this is a Bill dealing with forests.

MR. SPEAKER: No; dealing with sandalwood only. The hon. member is trying to propagate wattle on sandalwood.

MR. SAMPSON: I trust, Sir, you will not raise in my mind a doubt as to the correctness of my remarks on a previous occasion, when another Speaker, equally noteworthy, occupied the Chair. At all events, I hope—

MR. SPEAKER: I am afraid the hon. member is relying too much on my predecessor's good nature and on mine.

MR. SAMPSON: I remember that on the previous occasion the then Premier agreed that an effort should be made to carry into effect the suggestion I put forward; and I am hopeful that the present Premier will carry it out.

Question put and passed.

Bill read a second time.

In Committee.

Bill passed through Committee without debate, reported without amendment, and the report adopted.

BILL—POLICE.

Second Reading.

THE MINISTER FOR POLICE (Hon. F. J. S. Wise—Gascoyne) [4.56] in moving the second reading said: Although the Bill has a somewhat formidable appearance, it is mainly a consolidating measure. The Leader of the Opposition, noting its size, may feel inclined to oppose it; but I feel sure that the hon. gentleman, when he has considered the measure in the light of its consolidation and its necessity, will not only ardently support it but will assist in putting it through expeditiously. Practically, the Bill is a consolidation measure, comprising the original Act of 1892 and the amendment Acts which have been passed in the interim, plus a few amendments which I shall mention. The Bill is really much simpler than its size would indicate. In the interests of the whole State, the consolidation should take place. Almost needless to say, the original Act is out of print, and has been for many years. With the exception of copies in the possession of a few senior officers of the Police Department, very few copies indeed are in existence. Very few members of the police force who have joined the service for a number of years past have had a copy of the Police Act presented to them; and very few clerks of courts possess copies.

Hon. C. G. Latham: You mean, outside the General Statutes.

The MINISTER FOR POLICE: Yes. Generally there is a great need both for consolidation and for reprinting of this legislation.

Mr. Warner: It is long overdue.

The MINISTER FOR POLICE: Yes. It can be well understood that especially in the large centres there is urgent need for consolidation and reprinting of this legislation. Hon. members are aware that the Government desire annually to consolidate at least one important measure that has been long in existence and has been subject to many amendments, the complete legislation on the subject therefore not being available to the public. This is particularly needful in the case of Acts affecting public interests in such an important way as the administration of the Police Department. Hon. members will observe that in this consolidating Bill care has been taken that the marginal notes shall give a clear indication of what the particular clause refers to and whence it came. The original Police Act of Western Australia was founded on the South Australian Act, which has long since been consolidated. The last print of the South Australian measure, consolidating all the amendment Acts, was available in 1926. Two or three amendments made in the South Australian Act have been incorporated in this Bill, to keep it more or less to the standard. The changes proposed in the Bill are not many. Definitions have been altered, and these now include those relating to "court," "magistrate," "police officer," and "public place." Certain definitions such as those of "Governor," "street," "local authority" and "chairman of local authority" have been deleted. Section 20 of the parent Act has been amended to deal particularly with an increased penalty for resisting the police and committing assaults on them. It will be found that the amendment includes a provision that if a person disturbs or hinders a member of the police force in the execution of his duty, he will be liable to a fine of £10 or three months' imprisonment instead of, as formerly, to a penalty of £10 or two months' imprisonment. For resisting the police, the penalty and term of imprisonment have also been altered. There has been a slight alteration in connection with the provision for approval of a sentence in connection with misconduct of constables, which is made subject to the approval of the Commissioner of Police. Formerly such a sentence had to

be subject to the approval of the Minister as well. Section 43 of the principal Act has been named to provide for a penalty in respect of persons who are found loitering and are unable to give a satisfactory account of themselves. Provision is made in another amendment to deal with persons who are taken into custody without a warrant. Clause 55 contains particular reference to that phase. This alteration and Clause 56, which deals with power to search and examine persons in custody, have been taken from the South Australian Act. In connection with the control of public disorders or riots in public places, an addition has been made to the powers contained in the parent Act. The Bill embodies an amendment that will give the Commissioner of Police power to close a street, or portion of a street or road, where a riot or disturbance may take place. At the present time the police have no power to close the whole of the street where it may be necessary to do so under such circumstances. There has been a re-enactment of Section 65, which deals with idle and disorderly persons, and a provision has been included to the effect that when a person is charged with having no visible lawful means of support, the fact that he possesses money or other property shall be no defence unless it can be proved that the money or property was obtained honestly. There have been many difficulties in that respect. A person has been known to be properly charged and the money found in his possession could reasonably be assumed to have been stolen, but he has been able to advance, as a good defence to the charge of having no visible means of support, the fact that he was in possession of that money. The provisions dealing with obscenity and indecent acts have been strengthened in Clause 62 and some new sub-clauses have been included. In connection with malicious damage to property, to make the penalty and compensation more commensurate with the offence the penalty has been increased from £5 to £10 and the compensation payable from £10 to £25. Often the value of damage maliciously done to property has exceeded considerably the amount of compensation that has been payable in the past. Sections 54 and 55 of the parent Act have been combined and appear in the Bill in Clause 80, and a new

clause has been inserted dealing with disorderly conduct on board ships when in harbour. Penalties in connection with threatening language, insulting words or behaviour and with obscenity have been increased and provision has also been made to include Anzac Day in the part relating to the keeping open of billiard rooms on public holidays.

Hon. N. Keenan: Which clause deals with that matter?

The MINISTER FOR POLICE: Clause 107. I have outlined only the amendments of major importance, but there are some minor alterations that will make for better administration. For instance, one deals with the omission of references to "sub-inspector." That term appears frequently in the parent Act, but there is no such rank in the police force to-day. As these are the only amendments, apart from the minor ones I have referred to, I hope on account of the position in which police officers and those who administer the law including clerks of courts, justices and so forth, find themselves owing to the lack of copies of the Police Act, members will assist in expediting the passage of the Bill.

Hon. C. G. Latham: Has much of the old Act been omitted?

The MINISTER FOR POLICE: The first schedule sets out the names of the Acts that have been repealed and most of the provisions of the repealed Acts are embodied in the Bill. Where some of the Acts have been amended by provisions being included in other Acts, those portions have not been included in the Bill. Apart from that, the other provisions are included in their entirety. One Act has been completely omitted. Some of the provisions, for instance, have been included in the Factories and Shops Act and others in the Criminal Code and those provisions, too, are not included in the Bill. To give an indication to members, I might point out that Sections 130 to 132 of the Police Act were repealed by the Justices Act and similarly Section 136 of the present Police Act has also been repealed. Members will see, therefore, that the Bill is mainly a consolidating measure. I move—

That the Bill be now read a second time.

On motion by Hon. C. G. Latham, debate adjourned.

BILL—DIVIDEND DUTIES ACT AMENDMENT.

Second Reading.

Debate resumed from the 29th October.

HON. N. KEENAN (Nedlands) [5.9]:

The Bill has been introduced for the purpose of amending Section 6 of the Dividend Duties Act, 1902 and the amending Acts up to 1931. Section 6, which is to be amended, imposes on every mining company carrying on business in Western Australia the duty to forward to the Commissioner of Taxation, a return in the prescribed form, setting forth the amount and details of all profits made by such companies in Western Australia during the year ended the 31st December immediately preceding the compilation of the return. The return has to be furnished on or before the first day of April every year. Thereupon the Commissioner assesses what are the profits of the company and the appropriate tax. But in the case of a business carried on by some companies in Western Australia, the product is not sold in Western Australia but somewhere else beyond its bounds. If that sale were to take place merely by the company forwarding what is called in this Bill, for some reason or other, the "goods"—which is rather an inappropriate term—if the product were sold by the company there would be no difficulty in arriving at what is the appropriate assessment. I should have stated that this relates to mining companies in the amendment and also only to mining companies in the clause relative to the amendment. I pointed out that if a sale took place by the company itself, there would be little or no difficulty in arriving at what should be the return made, and what should be the assessment issued by the Commissioner on that return. It would merely be necessary to allow for the cost of carriage and marketing, and other incidental charges, deducting, of course, from the price, wherever the product was sold, the cost of manufacture in Western Australia. In that case, whatever was left after these arithmetical sums had been computed would be the amount of profit made in Western Australia. There would, of course, in many cases have to be added to that the fact that the product was sold in a market where the currency was of a different standard from that in Western Australia. The transfer of the amount received on that sale to Western

Australia and its expression in Western Australian currency, less the cost of exchange and the amount of interest payable, would represent the actual price received in Western Australia. There are, however, not only possible but frequently occurring circumstances which render the matter much more difficult to deal with. For instance, an article which is finally sold outside Western Australia may, in some cases, be only partly manufactured in Western Australia and partly out of the State. In that case a difficulty would arise inasmuch as it would be impossible to say that the profit was attributed entirely to one locality. Another set of circumstances which might arise would be where a company which produced an article in Western Australia sold it to some other exporting company with some right to share in any profits that the exporting company made when the article was sold beyond Western Australia. But these difficulties, which would require a considerable amount of careful handling in order to arrive at the assessable amount in Western Australia, do not arise in the circumstances which the Minister is now dealing with. All he proposes to deal with is simply the question of what is known as the premium obtainable on the production by mining companies operating in Western Australia on the sale of gold. The term "premium" is very commonly misunderstood. Properly it only means the difference between the price at which a fine ounce of gold can be sold, and the amount fixed by statute as the price of a fine ounce of gold in the United Kingdom. So it is only in terms of sterling that the word "premium" can properly be expressed. It is used throughout Australia, however, with a very different meaning, and one easily understandable. It simply means here the difference between the price of a fine ounce of gold, which existed prior to the Australian Commonwealth going off the gold standard, and the existing price in the currency of the Commonwealth; that is to say, the difference between whatever may be the daily price of gold—which now varies, sometimes slightly but considerably at other times—and the figure of £4 4s. 11½d. for a fine ounce. That is what this Bill is dealing with—that ordinarily understood difference, commonly called a premium, and which really is made up of the difference in terms of sterling and also, of course, of the relative exchange between the currency of Australia and sterling. I

must confess I am not at all fully assured that this Bill will effect what the Minister wants to achieve, and what, of course—expressing my own opinion, and I feel almost certain the opinion of the House generally—we all want to assist him in achieving. Although I am not fully satisfied that the verbiage used is the most appropriate or effective, I am not prepared to say it will not be sufficient for its purpose. Therefore, although if the duty had been cast on me personally of drafting this Bill to achieve the purpose the Premier has in view, a purpose with which I associate myself, I might have used different language; nevertheless I am not prepared to say the language used is not sufficient to attain that end, and therefore I do not propose to ask that it should be altered by this House. That deals with the portion of the Bill which will enable the Treasurer to ensure that mining companies show on their annual returns the premium, and pay taxation in respect of that premium. The Bill also deals with Subsection (9) of Section 6 of the Act. Under that subsection, a mining company, other than a coalmining company, is enabled to escape any imposition of taxation on any profits made by it until its profits are equal to the paid up capital of the company, that is, in respect of profits made after June, 1924. Until shareholders have received back as a result of carrying on mining operations, a profit which exceeds the amount of the paid up capital of the company in Western Australia, no duty falls on the company to make any return in respect of the profits or, if it did, it would be pro forma, and the company would not be liable to pay taxation on such profits. And it has been explained by the Minister—it is obvious that this is so—that this provision is intended to apply to Western Australian companies. And, under the circumstances of to-day, companies carrying on mining business in Western Australia and outside of Western Australia, are using part of the paid-up capital which was called up and paid after June of 1924, not merely for the purpose of developing and equipping their property in Western Australia, but for the development and equipment of property outside of Western Australia, and are alleging that under the strict reading of Subsection 9 of Section 6 they are entitled to this exemption. I do not think any member of the House wishes to allow them to remain entitled to this

exemption. So again I find myself wholly in accord with the intention of the Premier to remove this anomaly, and I have no objection to that from the point of view of the drafting of the Bill. The only objection I have to the drafting of the Bill is the draft dealing with the first portion, which I have already dealt with. But there is another feature in this measure to which I take strong exception, and that is that in both cases, both in the matter of compelling companies carrying on mining operations in Western Australia to return the premium obtained on their product in their returns to the Taxation Department, and also in that part which deprives any company carrying on business outside of Western Australia as well as in Western Australia, of the exemption that is to be found in Subsection 9 of Section 6—in both cases those provisions are made retrospective to the 31st December, 1931, and of course to the transactions of the year which preceded that date. It is said that of all the mining companies carrying on business in Western Australia only one company has set up its right not to return the premium which is obtained on its profit in making returns to the Taxation Department. That may be so; I do not doubt that it is so. But that does not seem to me to be at all material. The point is that the company either did that lawfully, in which case they are not open to any censure or blame, or they did it unlawfully, in which case they can be compelled to make amends for what they did unlawfully. But to provide by legislation that something that was done lawfully at the time is now unlawful, and make it retrospective is most dangerous. No one would really know exactly the time when he might be called upon at any future date to pay a penalty because four or five years hence legislation might be passed which would make his act unlawful. But this is made retrospective, and so after all those years when he was doing something that he believed to be lawful, he becomes liable to a penalty. I know of no instance where Parliament has made unlawful a certain act, and has made that retrospective for a certain number of years by the passing of an enactment. It is quite a different thing to make lawful something which was unlawful and make that retrospective, although that too can be objectionable and have potent reasons urged against it. To make lawful to-day something that was un-

lawful at the time the enactment was passed, requires reasons of extreme urgency. We have had it in this House, not during the present session, but in a previous session, when we passed an enactment making lawful that which had been unlawful. But that is a vastly different proceeding from making unlawful that which was lawful at the time of its occurrence. I take strong exception to that, and I hope the Minister will reconsider it and eliminate this provision. Except for that matter, and except for the drafting of that portion of the Bill which deals with the premium payable on gold, I have no objection to offer to the Bill, but on the contrary I am prepared to do anything to ensure its passing.

THE PREMIER (Hon. J. C. Willcock—Geraldton—in reply) [5.27]: I am glad the Leader of the National Party finds himself in accordance with the principles underlying the proposed alterations in the law. From what he says, I think most members can give support to the principles laid down in the Bill. The only point of disagreement the hon. member finds, is the retrospective aspect. So far as that is concerned, all mining companies rendering returns have considered the law and have considered it to be their duty to render those returns, which are assessed, including the premium, even though it may be gold sold in different parts of the world. During the four or five years since 1931, when Australia went off the gold standard, all those companies were considered to be liable because of the sale of their property, which happens to be gold, anywhere in Western Australia or elsewhere. The same principle is apparent under the Land and Income Tax Assessment Act, where individuals, if they did something of this kind, would have to be taxed in the same way as is provided in this amending Bill. The amount of money involved in the amendment is not very considerable, but it is held that the law is a little ambiguous. Everybody else has accepted the position as it was expected that it would be accepted—all but this one company, which has not yet been assessed but which has claimed exemption in regard to some portion of the premium from the sale of gold in other parts of the world. It is desired to alter the law so that there will be no misunderstanding in the future, and that it shall be so framed as to operate in respect of every company. I am not very enthusiastic about

retrospective legislation, which is something which we should at all times try to avoid, but it is different with regard to this particular case. Everybody accepted the law as it was supposed to be. All companies were agreed as to the interpretation of the law and put in their returns, except the one company which endeavoured to dodge its obligations in this State, where their profits were made.

Hon. W. D. Johnson: If you let them off, you will have to make refunds to others.

The PREMIER: It is not proposed to let them off. It would not be fair to those companies that have recognised their responsibility if another company, with similar responsibilities, were allowed to dodge them. If the Bill is passed, there will be no doubt about the future. It is a matter for the House to decide whether it thinks the position will be served by compelling certain companies who could and should pay taxation on profits earned in the State, to pay that taxation, or whether they should be allowed to dodge their responsibilities; that is to say, that they should not be obliged to pay, while other companies willingly accepted the position and paid. The company in question have no reason to dodge their responsibility since their profits were legitimately made in this State. The production of wealth from every other commodity will be subject to the tax; yet it may be possible, if the Act were tested at law, for the company in question to get out of what I would term their legitimate obligation to pay on profits made in this State. I repeat that I do not like retrospective legislation, but it seems to me that no injustice will be done to compel the company to conform to what everybody else considers to be a right and proper thing.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Sleeman in the Chair; the Premier in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 6 of the principal Act:

Hon. C. G. LATHAM: The clause refers to profits that are made from the sale of goods produced in mining in Western Australia. What is the meaning in this case of

the word "goods"? Does it mean the sale of gold? We should say what the interpretation of "goods" is. Would that word include brass fittings or lead fittings, or anything of that kind? I should say that "gold" should be the word to use."

The PREMIER: "Goods" is the term used in the Dividend Duties Act dealing with companies, no matter what those companies may produce. I inquired why this particular word was used and the explanation given was that it was a generic term, that it included everything under the Dividend Duties Act. The Bill not only deals with gold mining companies but with companies of every description dealing in the sale of anything, so that instead of saying where the profits are made from the sale of gold, we use the all-embracing term "goods."

Hon. C. G. Latham: The word should be defined.

The PREMIER: "Goods" is defined; it means everything. Once we begin to express the meaning of a word, we may afterwards find that there is something that is not particularised. Therefore, it is well to employ an inclusive term.

Hon. C. G. LATHAM: I perused the Act carefully to ascertain whether "goods" applied. Reference is made in Subsection 6 of Section 6 to coal or other goods. I was interested in the statement of the Premier that a word is used in its widest sense, but I could not get the Commissioner of Taxation to adopt that view when the word "agriculture" was under discussion. The Sale of Goods Act, 1895, contains a definition of "goods."

The Premier: That would be for the purposes of the Act. See what Webster says.

Hon. C. G. LATHAM: In that Act the definition reads:—

"Goods" includes all chattels personal other than things in action and money. The term includes emblements, industrial growing crops, and things attached to or forming part of the land which are agreed to be severed before sale or under contract of sale.

The Premier, in moving the second reading of the Bill, said he intended the measure to apply to gold mining companies only. If that is so, why not use the term "profit from the mining of gold mines in Western Australia"? Though the Premier has the best of intentions, the Commissioner of Taxation may place a different interpretation on the word.

Hon. N. KEENAN: I think the Premier is wrong in saying that "goods" is specially used. It appears in only one portion of the Act.

Hon. W. D. Johnson: That might be the only place where it is needed.

Hon. N. KEENAN: I have looked up a case which is the foundation of this legislation. The Mt. Morgan Gold Mining Company brought an action against the Commissioner of Taxation denying liability to pay on the premium earned on gold exported by the Gold Owners' Association. Throughout the case "commodity" or "product" was the term used, and that describes it. It was a blister of electrolytic copper which contained some silver and some gold. In the judgment "product" or "commodity" was used. The term "goods" is an extraordinarily strange one to me. Although I have serious objections to this part of the Bill, I do not propose to urge them if the Minister is satisfied.

Mr. MARSHALL: The member for Nedlands overlooks the fact that a lawyer inserted the word. If the hon. member has any doubt of its being the right word to use, what chance have laymen to decide?

Hon. W. D. Johnson: He has the right to dispute the other's choice. That is how lawyers live.

Mr. MARSHALL: I had not considered that point. "Product" would appear to be a better word. If "minerals" were stipulated, all the commodities produced in gold mining would not be covered. I refer to arsenic, which is produced in large quantities.

Hon. C. G. Latham: Arsenic is definitely a mineral.

Mr. MARSHALL: What about asbestos?

Hon. C. G. Latham: That is a mineral defined in the Mining Act.

Mr. MARSHALL: Strictly speaking, it is a material used for the manufacture of goods. I should not like to see any amendment passed confining the goods in question to metals or minerals, lest the State should lose revenue from some companies.

Hon. N. KEENAN: The proviso in this clause, which begins on line 15 and ends on line 31, makes it retrospective to the 31st December, 1930. If a company has acted outside the law, the fact that no proceedings have been taken does not free it from liability. I am opposed to Parliament making unlawful what was deemed to be lawful at

the time it happened. I move an amendment—

That the proviso contained in lines 15 to 31 of the clause be struck out.

The PREMIER: Every other individual and every company have recognised their responsibilities, and these particular people also should pay. Had the point been raised two or three years ago, the matter would have been put right then, but it was not raised at that time, because I suppose the assessments in this particular case were made only more or less recently. I do not want to go back to 1931, except that that was the year taken, and it was the time when Australia went off the gold standard. That was when the premiums would have been collected. If members desire to limit the extent of retrospectiveness to the last two or three years, I would not mind meeting them on the point. The member for Nedlands objects to the whole thing on principle. There was some little doubt whether the people to whom reference has been made would be affected by this legislation. They took the point, however, and desired to dodge paying something which everyone else considered fair and equitable. If everyone else is paying taxation on profits made in Western Australia, those other people also should pay. If it had been a question of income tax having been paid in England or somewhere else, then one would not desire to impose a double tax upon those people, but no tax has been paid anywhere by them. I do not think any injustice will be done in the case in point if the people concerned are called upon to pay, as everyone else has paid. It has been said that one gets law from the law courts, but not justice. However, the company will not suffer any injustice, having made profits by reason of the premium. Simply because the gold is sold outside Australia, the company has evaded payment of taxation.

Hon. C. G. LATHAM: In this case there is a doubt as to whether payments voluntarily made by certain companies are legally compellable. The other company stands on what the law courts have decided. It is unwise to declare that something somebody has done legally for years past shall not be considered legal. Who is going to be responsible for the payment of the back amount of taxation—the man who held the shares at the time, or the man holding the shares at the time of assessment, and will

the latter be able to recover the amount of tax from the previous holder? The Government's proposal strikes me as especially wrong from that aspect. No doubt if the company have a reserve fund, the amount assessed will be paid out of that. The question is one of law, but on the Premier's argument exchange in respect of wool sold on the English market is not assessable. In the case of a commodity saleable in Western Australia, the price at which it was saleable here would be taken into consideration. It is not safe for Parliament to pass retrospective legislation making something illegal that for years has been legal. The people who may have to pay this tax may not have received any benefit from the gold premium. If the company in question have operated in Western Australia only for a year or two—

The Premier: I do not want to discuss the company. It is a question of principle.

Hon. C. G. LATHAM: Probably the proposal, if enacted, would be operative as from 1933.

Hon. W. D. Johnson: If we let this company off, we should let all the others off.

Hon. C. G. LATHAM: If the company have transacted their business as they were legally entitled to do, they have not been let off anything. When Parliament makes mistakes in legislation, Parliament must bear the responsibility of them. That view is sound. The proposal in the Bill is unsound. We should not load our mistakes on people outside Parliament.

Mr. HUGHES: I have been rather surprised at the references to retrospective legislation. It may be quite necessary to pass retrospective legislation in certain instances, and the present occasion may result in establishing a precedent that may be usefully availed of in years to come.

Hon. W. D. Johnson: This is not the first retrospective measure.

Mr. HUGHES: And I hope it will not be the last one. I trust that, in the course of time, legislation will be introduced to operate retrospectively to provide justice for certain unfortunate people who have not been able to protect themselves. I was rather surprised, too, at the remarks by the member for Nedlands about legislating regarding lawful acts. It will be appreciated that there is a difference when it comes to making lawful an act that has been unlawful. In this instance the company knew that what they were doing was unlawful and did it in

defiance of the law, relying on their strength to carry them through. It was only when they found that they were up against a decision of the court that they took steps to get the jurisdiction of the court abrogated. Those facts are quite well known. In other countries, where retrospective legislation has been passed, steps have been taken to make sure that the interests of others were not unduly prejudiced and that all were placed on an equal footing. In the present instance, I do not know that this can be regarded as retrospective legislation at all, but rather is it declaratory, in that it declares what Parliament's intentions were when the legislation was passed. It is to be hoped that the company concerned in this instance will not go into liquidation after we pass the legislation, and the State get nothing out of it. That is always on the cards. I understand that if steps are taken to sell up the assets of a mining company, the amount of the subscribed capital is not always recovered. Retrospective legislation should be examined on its merits. I consider that if a political party urge on the hustings that certain action taken by a former Parliament was wrong, they are entitled, if returned to take charge of the Treasury bench, to pass retrospective legislation righting that wrong. It tends to subterfuge if people can roundly condemn a practice, characterise it as unjust, and then, when they have power to rectify the wrong, say, "Let bygones be bygones."

The CHAIRMAN: The hon. member is getting away from the amendment.

Mr. HUGHES: I thought the amendment dealt with the question of retrospective application. Does not that open up the whole question of the soundness or otherwise of retrospective legislation?

The CHAIRMAN: You can continue until I stop you.

Mr. HUGHES: Yes, I knew that before.

Mr. Lambert: You are under cross-examination now.

The CHAIRMAN: Order!

Mr. HUGHES: From the standpoint of retrospective legislation to right an injustice, I suppose the injustice in this instance arises from the fact that certain people have paid the tax and certain other people would not do so. In those circumstances we must take one of two courses; either we must refund the tax to those who have paid, or place everyone on the same footing by making those pay who did not pay. As it was clearly the intention that the tax should apply, I think

this is an instance in which we should pass what is, in effect, a declaratory Act, and thus establish a useful precedent for the future. If there is an unanswerable case, we can pass legislation to place all parties concerned on an equality, and thus right the position retrospectively.

Mr. Lambert: That could apply in the Divorce Court.

Mr. HUGHES: Yes, divorce is, more or less, retrospective.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. HUGHES: I do not think the suggestion to reduce the retrospective period to two years is very desirable. Either we should stand on the question of retrospection or leave it alone. I intend to vote for the clause as it stands.

Amendment put and negatived.

Hon. N. KEENAN: I desire to call attention to the fact that the same retrospective provisions are found beginning in line 10 of paragraph (b). I move—

That in line 10 of paragraph (b) all the words after "thereon" be struck out.

Subsection 9 of Section 6 of the Act sets out—

A mining company other than a coal mining company shall not be liable to pay duty on profits made after the 30th day of June, 1924, until such profits shall have equalled so much of the share capital of the company (if any) as may have been paid up in cash after that date; and duty shall only be payable on the assessed profits of the company so far as, from the 30th day of June, 1924, such profits exceed the amount of the share capital paid up in cash after such date.

The alteration now proposed is well justified, but as that section stands there can be no question about any company carrying on the business of mining in Western Australia—no matter how much of its paid-up capital was spent in another place—being entitled to the benefit of this subsection. I do not see any justification whatever for retrospective legislation. A company might find it very difficult to pay the amount due at the end of all these years, and I think that particular aspect of this legislation is unjust.

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

Ayes	14
Noes	22
	—
Majority against ..	8

AYES.

Mrs. Cardell-Oliver
Mr. Ferguson
Mr. Hill
Mr. Keenan
Mr. Latham
Mr. Mann
Mr. McLarty

Mr. North
Mr. Patrick
Mr. Sampson
Mr. Thorn
Mr. Watts
Mr. Welsh
Mr. Doney

(Teller.)

NOES.

Mr. Coverley
Mr. Cross
Mr. Doust
Mr. Fox
Mr. Hawke
Mr. Hegney
Miss Holman
Mr. Hughes
Mr. Lambert
Mr. Marshall
Mr. Millington

Mr. Needham
Mr. Nulsen
Mr. Raphael
Mr. Rodoreda
Mr. F. C. L. Smith
Mr. Styants
Mr. Tonkin
Mr. Warner
Mr. Willcock
Mr. Wise
Mr. Wilson

(Teller.)

Amendment thus negatived.

Clause put and passed.

Clause 3, Title—agreed to.

Bill reported without amendment and the report adopted.

BILL—FAIR RENTS.

Second Reading.

Debate resumed from the 27th October.

MR. WATTS (Katanning) [7.40]: I cannot say that I am filled with enthusiasm for the Bill which has been brought down by the Minister for Justice. I am prepared to concede to him, however, that there is probably considerable need for the Bill in certain areas of the State, namely those comprised in goldfields centres. It seems to me that in those areas the conditions are such, the increase of population has been so great and the demand for dwellings so considerable, that there may be some justification for legislation of this kind. If the Minister is prepared to limit, at least for the time being until we can have opportunity to ascertain how legislation of this kind will work out, the operations of the Bill to the goldfields areas, I am prepared to give him my unqualified support in that direction. But from all that I can see and hear, there is little necessity for this legislation either in the agricultural districts or in the metropolitan area. It has frequently been said in the House that the operations of the Workers' Homes Board, if they were extended, would cure to a very great extent the evil with which the Bill proposes to deal. I have recently read the report of the Workers' Homes Board. It has been said that the desire of the worker is to have

a dwelling at a rental which does not exceed one day's wages. That, to my mind, is a very reasonable desire. It would make very much easier the question of the worker obtaining a satisfactory dwelling. But according to the Workers' Homes Board, they have prepared and devised plans and specifications for the erection of such dwellings which, so far as can be gathered from that report, would be of a very satisfactory nature, and of reasonable appearance. But they found that the demand is not for houses of that kind at a rental contemplated by the board when drawing up plans and specifications, but for something much larger and more expensive. If I read that report rightly, it almost expresses the view that it is largely a question, not of what a person ought to pay, but of the premises he thinks he ought to have. So I believe that in the metropolitan area, anyway, it is not altogether the landlords that are to blame for rentals, which at first glance appear to be excessive, but probably those who desire to rent houses. A land agent with whom I was speaking the other day said there had been numerous occasions when he had let a house at, say, £1 a week and another person had come along hoping to get it and said, "If you cancel your contract with the man to whom you have just let it, I will be prepared to pay you 22s. 6d. per week." That does not show that there is any need for the fixation of rents at a lower figure, but rather that there is need for houses to be provided in order that, in the ordinary way, the rents might be reduced. As for the agricultural towns, I admit I am not acquainted with the rental position of dwelling houses in very many of them; but I am acquainted with the matter in one of them which is a representative town, and which is neither of any great size nor, on the contrary, is it very small. I am of opinion that the basis on which in the Bill the magistrate is directed to assess a fair rental, is not exceeded in such a town as I am referring to. Therefore, so far as I can see, the rentals charged are extremely reasonable. On the calculations that are provided in the Bill, the court is asked to determine the rental by, first of all, allowing $1\frac{1}{2}$ per cent. over the Commonwealth Bank interest rate on overdrafts for the time being. I understand that the Commonwealth Bank rate at present is 5 per cent. If that is so, $6\frac{1}{2}$ per cent. would form the

basis of the calculation provided in Clause 8. Taking a residence of £1,000 in value, including the value of the land, that alone would amount to £65. The next provision is for the annual rates. Taking my own place as a basis for this assessment, I add £8, making the sum £73. A reasonable amount to be required annually for repairs and renewals would hardly be assessed at less than £10, bringing up the sum to £83. Insurance would be in the vicinity of £3, making a total of £86. For the moment I propose to ignore the question of depreciation, because we have arrived at a figure where the rental of the house on the calculation made in the Bill would be 34s. per week. I have no hesitation in saying that in the town from which I come, a house of the value I have stated would not command a rent of 34s. a week, but that the amount it would command would be substantially less. In consequence, basing my argument on the conclusions I have arrived at on such information as I have been able to gather, I regard the Bill as unnecessary in such areas as I have mentioned. If it is to become the law of the country, I should like to suggest to the Minister that he have another item included for the consideration of the magistrate in assessing the rental. In saying this, I am assuming that the Bill will become law. The item that I suggest should be taken into consideration is that of possible losses of rental. These calculations, as I understand the Bill, have been prescribed on the assumption that the premises are going to be occupied for the whole 52 weeks of the year. If that were so, it would be reasonable to leave the Bill as it stands, but I believe that only a very few landlords are in that happy position. Frequently there is a period between lettings when a landlord receives no rent, during which time the liability for rates, taxes, etc., continues. While I admit that, for the magistrate to calculate this item, might not be very easy, I believe evidence could be obtained as to the usual condition of affairs in the place under consideration and that the item could be taken into account. There are places where it is possible to let a house for, say, six or eight months of the year. I am not referring to those places that are excluded by the Bill—places leased substantially for summer residence—but I refer to places where there would be six to eight months' tenancy, which I consider would be substantial, but for

which during the remaining four months no tenant could be obtained. To give some consideration to that aspect would be doing only justice. In determining the fair rent the magistrate has to ascertain the capital value of the dwelling house at the time of the receipt of the application, and provisions are laid down that the capital value is to be the sum expected to be realised if offered for sale upon such reasonable terms and conditions as a bona fide seller would require. Unfortunately, the Minister, in moving the second reading, did not give us any idea of the methods that he contemplated should be utilised to arrive at the capital value. Evidence on such a point would undoubtedly be very conflicting. Magistrates, when dealing with evidence of a very conflicting nature, are more or less compelled to split the difference, and while that, in a sense, is justice, I greatly doubt whether it would ensure justice under this measure. The circumstances, as I see them, will be these: The landlord will go into court as a witness and claim that his property is worth £1,200. We can fairly assume that the tenant who makes application under this legislation will be looking for a lower rental, and will probably say the place is worth £500. Magistrates are not located very close together. Much as a magistrate might wish to make an inspection of the premises, he may be unable to do so, and will be practically obliged to split the difference.

Hon. C. G. Latham: If he did make an inspection, he might not be able to assess the value.

MR. WATTS: I was about to remark that if he did make an inspection, he might be a man who had not had an opportunity to acquire knowledge of the value of houses, and therefore would be unable to form a reasonable and proper opinion. Therefore the Bill should provide for making available the services of some person competent to assist the magistrate in reaching a decision. Apart from these observations I have very little to say on the Bill. The measure might prove to be of great service in the goldfields areas. I believe the Minister has made out a case for legislation to be enacted for those parts of the State. I do not think he has made out a case for the application of the measure to the metropolis, and I am convinced he has not made out a case for its application to the country districts. The

chief complaint has come, not from the two last-mentioned areas, but from the goldfields, and if the people of the goldfields believe that such legislation is required, and if the Minister is firmly convinced of that fact, I hope he will limit the operation of the measure to these areas. Even if he did that, he might not find it very satisfactory, but at least it would provide an opportunity to try out the measure. When I was in Kalgoorlie some years ago the great efforts of persons engaged in the building trade were directed to demolishing homes. That was in 1927. In this year of grace, 1936, we find them busily engaged, whenever opportunity offers, in erecting homes. The Workers' Homes Board, as a result of provision made last year, have commenced operations there. It is only to be expected that there should be some higher rental on the goldfields in view of the obvious possibility of the conditions of 1927 recurring in another decade. Consequently there might be arguments even for the rejection of the Bill in its application to the goldfields. My knowledge of that area, however, is extremely limited, while the knowledge of the Minister is presumably considerable. He appears to have made out a case for the goldfields. Therefore I am content that the measure should apply there, but I think it unnecessary to make it apply to other areas. Otherwise we should be interfering in a matter that does not, to any large extent, call for interference. Obviously an injustice may be done here and there. Injustices here and there are done in other circumstances, but Parliament does not take notice of individual cases of injustice unless they occur in large numbers. I see no need for this legislation outside the goldfields areas. So far from doing justice to a section of the community, such legislation might do more harm than good. To say that I shall not support the second reading is hardly necessary, but if the Bill goes into Committee, I shall support an amendment to restrict its operations to the goldfields areas.

MR. STYANTS (Kalgoorlie) [7.59]: I support the Bill. The Minister, in introducing the measure, has not taken any unprecedented action, because legislation for the control of rents is operating in New South Wales, Queensland and New Zealand. While, in a general sense, I do not favour the control of commodity prices, because of

the continually changing market values, the Bill provides that the rent determined by the court for each dwelling shall operate over a period of twelve months. No difficulty should occur in respect to the fluctuating values of houses. House rent is one of those questions that are taken into consideration in assessing the basic wage. If it is right and proper to control wages, it is also right and proper to control those commodities which can conveniently be controlled, and which go to make up the basic wage assessment. I wish to deal more particularly with the position operating on the Eastern Goldfields, where there is an undoubted shortage of houses, and the law of supply and demand is used in its most vicious sense. The population of the goldfields has increased considerably since the revival of the mining industry, and this has brought about a shortage of houses. The increase in population in Kalgoorlie and Boulder alone is from 15,000 in 1930 to 25,000 in 1935. About 60 per cent. of the people, it is estimated, own their own homes, and about 40 per cent. are paying rent. From my observations I would say that 75 per cent. of the 40 per cent. who are paying rent are being called upon to pay rentals far in excess of what can be justified either by the conditions or the capital cost of the building. It is unfortunately necessary to bring down legislation of this kind. It is also a fact that the desire to profit at the expense of one's fellows is not held as a monopoly by any one class of the community. One might think that extortionate rents would be charged by the capitalistic class. From my investigations into the ownership of houses in Kalgoorlie and Boulder, I find that working men who invested in a house or houses when property in Kalgoorlie was cheap, some time prior to 1927 or 1928, are just as great offenders as the capitalist when it comes to extorting rent from their fellow men.

Mr. North: When in Rome do as the Romans do.

Mr. STYANTS: The extortion of high rents from those unfortunate people who are called upon to pay rent is practised by wages men, financiers, and in one case that I know of by a man professing Labour principles and an adherent of the Labour Party. A property in Kalgoorlie consisting of two rooms 12 x 10, a kitchen 12 x 8, with enclosed side verandah and neither back nor front verandahs, fetches a rental of 25s. a week. It is a crime to extract such rentals

and take advantage of unfortunate people, but that sort of thing is not being done by one class of people only. High rents add costs to industry. As the costs are made higher in industry, so does it become more difficult to make the industries concerned pay. There is a method whereby rents are assessed, and these methods enter into the computation of the basic wage. The basic wage commission obtains its information in the first place from the State Statistical Office. That office issues a circular. Landlords and land agents are compelled under the Act to furnish a return showing the amount of rents collected by them, or the rents chargeable upon all properties on their books. That must be furnished quarterly. The method is a very crude one. The most objectionable feature of it is that the returns are strictly confidential. If I give evidence before the basic wage commission it is not treated as strictly confidential. I am cross-examined by the employers' representative as well as by the employees' representative. I am subjected to cross-examination by the chairman or any member of the board. The Act should be amended to provide that any employees' representative may be able to peruse the documents which are now regarded as confidential, and which are put in as containing the aggregate rents. I do not make that suggestion without evidence to back it up. Rents in the Kalgoorlie district should amount to about 24s. a week for the average four or five-roomed house. It is almost impossible to get a five-roomed house in either Kalgoorlie or Boulder for that sum. They usually cost nearer 35s. to £2 a week. Realising that the figures supplied by the Statistical Department did not set out the true position a Labour organisation on the goldfields some 18 months ago requested the Government to appoint a commission to inquire into rents on the Eastern Goldfields. As soon as it became public property—it was published in almost all the papers in the State—that the local district council of the Australian Labour Party was pressing for this inquiry it had the effect, that the average rent for the next quarter, which was compiled upon these documents, jumped from 19s. 10d. to 22s. 11d. per week. That is the effect which the request for an inquiry into rents on the goldfields had upon the situation. Whilst I agree that to make public confidential information is sometimes undesirable, in this case the rental figures supplied by landlords and land agents, and

handed into the basic wage commission as evidence, should, I maintain, be treated in the same way as evidence given by private individuals. Another thing is that the computation of the rents is made merely for any class of house without any regard to the standard or comfort of such houses. The average rent is given for a four or five-roomed house, whether it be brick or hessian, there being quite a number of the latter on the goldfields. Many of the dwellings there contain no bathroom, no washhouse, and no coppers and troughs set in properly. Any washhouse that may be there, is generally the shed in the back yard, and the housewife has to carry kerosene tins of water, lift the tubs out, and empty them into the yard. Coppers and troughs, those that are set in a convenient manner such as we find in metropolitan houses, are practically unknown. Therefore, to speak of an average rent for a house is misleading, unless the standard of value and comfort is taken into consideration when assessing. Unfortunately, even the civic fathers of Kalgoorlie have not been able to resist the popular craze for extorting more rent out of tenants. It might have been expected that the civic body known as the Kalgoorlie City Council would at least have given consideration to the fact that if they raised rents on their tenants in endowment buildings, the increase would be passed on to the goldfields people in the price of commodities, and would not be borne by the tenants. But I have here some information given over the signature of the Kalgoorlie Town Clerk. The information was given in reply to questions asked by a councillor at the time when it was mooted that the council should increase rents. In the early days the Kalgoorlie City Council were granted certain lands by the Government, and on those lands they built shops and markets. The first question asked was the cost to the Kalgoorlie Municipal Council of the endowment property. The answer given by the Town Clerk was that the cost was £300 for compensation to squatters on the lands, and that the cost of erecting the market buildings was about £5,000. The next question was as to the total rent received to date exclusive of rent for the market. The Town Clerk stated that about £60,000 had been received in rent. The third question was as to the amount expended in repairs, etc., on the properties. The answer was approximately £5,000, exclusive of rates. If rates

were paid, they would be paid to the municipality itself. The fourth question was the total amount of rent received for the five years from 1931 to 1935. The answer was £11,800. Thus it appears that the council have had a return in rent of £60,000 on a total outlay of £10,300. Yet the council increased the rents in some instances by 133 per cent. I have here a complete list of the rentals in question, which I shall read without mentioning any names. I give first the former rental, and then the proposed higher rentals, which were eventually put into force: 25s., 45s.; 20s., 30s.; 40s., 40s.; 20s., 30s.; 20s., 30s.; 27s. 6d., 27s. 6d.; 7s. 6d., 10s.; 5s., 10s.; 22s. 6d., 37s. 6d.; 25s., 37s. 6d.; 35s., 35s.; 57s. 6d., 57s. 6d.; 25s., 37s. 6d.; 30s., 30s.; 25s., 25s.; 20s., 30s.; 50s., 50s.; 27s. 6d.; 27s. 6d.; 40s., 40s.; 35s., 35s.; 20s., 30s.; 20s., 30s.; 25s., 37s. 6d.; 49s. 2d., 90s.; 50s., 50s.; 37s. 6d., 40s.; 30s., 70s.; 30s., 60s.; 40s., 50s.; 40s., 50s.; 47s. 6d., 47s. 6d.; 40s., 40s. These increases constitute a bad example, showing that the craze to extract as much as possible out of unfortunate tenants has spread to all sections of the community. In many cases, for four-roomed dwellings a rent of £2 per week is charged. There is nothing at all exceptional connected with those four-roomed dwellings. They are of less value than the workers' homes which have recently been erected on the goldfields, and for which the tenant-owner pays to the Workers' Homes Board 26s. 6d. weekly, the property eventually becoming his own. Next I wish to quote a few instances of extortionate rents levied on various goldfields tenants. I am quoting only a few, but I could if necessary adduce 400 or 500 similar cases. I shall not, however, weary hon. members by presenting such a mass of detail. The first instances I shall give have been obtained from Government employers, civil servants, railway workers, and so forth. On account of the indefiniteness of the period for which they may be called upon to remain on the goldfields, they cannot purchase homes of their own. The first instance is in Hanbury-street; I shall not give the name of either owner or tenant. This tenant, a civil servant, pays £2 per week for a four-roomed house. In Ardagh-avenue for a three-roomed house, no passage, no wash-house, back verandah enclosed to make kitchen, vestibule, small room, the rent has been increased this year from 35s. to £2 per week. For an un-

furnished house in Egan-street, formerly let at 30s. per week, the rent has been raised to 35s. this year. It is a very old house, though the kitchen, having been re-built, is new. In Maritana-street the front bar of a delicensed hotel has been divided into three rooms, which are let unfurnished at 30s. per week. There is a community light meter with several flats, the average cost for light being 18s. per month. There is a primitive method of getting rid of slops into an open drain. Three-roomed houses and flats in the district are advertised at 35s. per week. A most unfortunate feature of the owners of property, a feature also found elsewhere than on the goldfields, is that they have an objection to taking a tenant with children. It is known that for every vacant house advertised there will be twenty applicants, and owners expressly state that any applicant with children will be barred. I wish to deal with the subject of a terrace of eight houses, four of them semi-detached, in Dugan street. The purchase price of those houses a few years ago was £500. The rents have been consistently increased.

Mr. Marshall: Was the price £500 for one house, or for the lot?

Mr. STYANTS: For the lot, during the depression. The rents have been continually increased during the last four years. Now four of those houses are let at 35s. per week, and the other four at £2 10s. per week, representing a total rental of £17 per week, or £884 per annum, on an outlay of £500. That is a good instance of a person acquiring property cheaply, during the depression, probably with the idea of dismantling the houses and conveying them out of the district. Owing to good luck, and through no effort of the purchaser, there has been a revival in the mining industry, and advantage is being taken of that revival to extract high rents from the tenants. Numerous houses are advertised at a rental of £2 10s. per week. Most of these have been lately built, and are comparable to workers' homes carrying a weekly payment of from 23s. to 26s. 6d. per week, the houses eventually becoming the property of the tenants. I have here some advertisements extracted from the "Kalgoorlie Miner" during the last two or three weeks. In the issue of the 28th October last there was an advertisement regarding a house to let in Hanbury-street. It was a 4-roomed house, and the rent was £2

a week. The capital value of that house would not be more than £400. Then there was in the same issue an advertisement regarding a 2-roomed house with bathroom at 30s. a week. That house was in Egan-street. I do not know whether one of those rooms was a kitchen. In the issue of the "Miner" of the 31st October there was an advertisement for a 4-roomed house, stated to be in good condition, and the rent was £2 per week. That house was at 195 Collins-street. A land agent named Cecil Brown, who carries on business at Kalgoorlie, in giving his opinion of what would be the effect on the goldfields of the proposed legislation, said that in his opinion fair rents were charged in most instances at Kalgoorlie and Boulder. Here is some indication of the fair rental that is being charged for a property as advertised by Mr. Brown in the "Kalgoorlie Miner" of the 27th October—

Addes-street. Splendid investment. House perfect order throughout. Returns £2 10s. per week. Only £350.

That indicates that that house, with a capital value of £350 for which £2 10s. per week is received, provides a return of 37 per cent. About three weeks ago a special correspondent of the "West Australian" wrote an article regarding high rents and housing accommodation on the goldfields. He set out the position clearly, and, as it sums up the situation better than I could do, I propose to read an extract from that report—

No statistical information is available to show average rents paid on the goldfields for different classes of houses, but a number of illustrations can be given. If the average metropolitan housewife were asked to occupy the average house on the goldfields she would regard the proposal with dissatisfaction at the very least; if she were asked to live rent free in some houses in Kalgoorlie and Boulder she would regard the prospect with horror. A five-room wooden house near the heart of Kalgoorlie built before the revival and possessing a current municipal capital value of £500 is let at £2 a week. An older house of the same size valued at £250 commands 25s. Both houses have bathrooms—a convenience of much more importance in Kalgoorlie than in Perth. Another house, described by the tenant as a "collection of camps joined together," with four rooms, the largest of which is 9 x 9 feet, is let at £2. The bathroom is enclosed on the back verandah and the washhouse is a shed in the backyard. The windows are without sashes, the doors are not ranelled and there is no fireplace although the kitchen has a stove. A short distance away from this house are three small houses occupying a good block. They are built of corrugated iron and consist of four rooms

lined with flat iron. Each house has one tap—in one case the tap is outside the house—and there are no dividing fences. The bathroom and laundry facilities are on the back verandahs and in at least one case the drainage facilities are disgraceful. Each tenant pays £1 a week rent. The houses were built before the revival and at depression valuations must be returning a handsome profit. In another part of Kalgoorlie a "house" built of iron and hard wood, lined with flat iron and consisting of two rooms and a bathroom, returns the landlord 15s. weekly. Two new weatherboard houses each of three rooms, with a community bathroom, are let at 22s. 6d. each. Another "house" that gives the appearance of having been built originally for use as a garage has a rental of £1 and, no doubt, the tenant considers himself fortunate to have a roof over his head.

At Boulder 12 one-room camps built of iron and weatherboards and lined with hessian, which were built many years ago, are let at 7s. 6d. each. Four-room houses without bathrooms or laundries, lined with flat iron and hessian, and in anything but good repair, estimated to be worth £120 if sold on terms, but actually worth £50 each, are let at from £1 to £1 5s. Instances could be quoted of houses at Kalgoorlie without bathroom and laundry accommodation which were once let at from 10s. to 12s. 6d. but which now bring in from 27s. 6d. to 30s. weekly. Some of the foregoing may be extreme cases, but they all reveal the severity of rents.

The opinion is held in reliable circles that, on the whole, the principal offenders so far as high rents are concerned are landlords owning old houses who, in many cases, have not hesitated to raise rents to the limit, irrespective of the condition of the house and the conveniences available. If, of course, these premises were purchased since the rise in property values, the return is proportionately less than if they were purchased or built before the rise took place. High as rents of new houses may be—the range in the case of three and four-room houses from 25s. to 30s.—and at times to 35s.—their style of architecture is much to be preferred to that of the old houses, while their conveniences are more modern. So far as can be gathered, however, relatively few new houses are being rented. Most of the occupiers own the titles or are in process of acquiring them by the payment of instalments to mortgagees. One firm is building a house a week on the goldfields. The average size of the houses, which are of wood, is four rooms, the average capital value £400, and after the payment of a deposit, repayment is spread over four years at 30s. a week. Throughout the local districts it is noticeable that wages men are building small houses. Usually two or three rooms are built and provision is made for extensions as they can be financed. Some buildings are very modest; others are more elaborate. In any case a house is provided and the payment of rent avoided. The materials can be obtained on time payment and the future owner usually builds the house himself in his spare time.

That sets out the position fairly accurately and quite lucidly. I do not think there are

many members of this House who will not agree that, in view of those circumstances, rack-renting is indulged in on the eastern goldfields. In addition to the instances I have quoted, at a sitting of the latest Basic Wage Commission, I gave evidence and submitted 40 instances to show that the average rental charged in Kalgoorlie and Boulder was about 32s. a week for 4- and 5-roomed houses. The figures used in the computation of the basic wage, based on the details supplied by the Statistical Department, provided for an average rental of 24s. a week. If the correct average rental were allowed for in the computation of the basic wage in respect of house rents, it would not matter a great deal except that the determination would be detrimental to industry because of the higher basic wage. As I have pointed out, the average rental for a 4-roomed or 5-roomed house is 32s. a week, whereas the amount allowed for in the basic wage for the Kalgoorlie district is only 24s. a week. During the last few years there has been considerable activity in the building trade in the Kalgoorlie and Boulder districts. For the five years ended 1928 there were only 60 applications received by the Kalgoorlie Municipal Council for building permits, but during the past five years there have been over 600 applications, and over 500 of those were for dwelling houses. The Boulder Municipal Council since 1932 has had 330 applications, and this year up to date, 100 for dwelling houses. Last year the road board had 150 applications, and this year expect 200. Included in the number are many permits for camps, but quite a considerable number also for dwelling houses. This shows that over 1,000 dwelling houses have been erected in Kalgoorlie and Boulder districts, but rents appear to be as high as ever. According to statistical records they are gradually on the increase. A perusal of the Basic Wage Commission reports will show that there is a gradual and constant increase as far as rents are concerned in those particular areas. The present position is that an average rental of 30s. a week is unsatisfactory, even to men getting more than the basic wage. A man on £5 10s. a week—23s. more than the man on the basic wage—called upon to pay 30s. a week for a house has remaining £4 with which to meet his family responsibilities, but if the man on £4 7s. has to pay 30s. he has only about £2 17s. a week to keep his wife and family. It is a condition of affairs

which needs rectifying as far as our district is concerned. It is the Government's duty to give protection to these people who are called upon to pay rent, protection, that is, within reasonable limits, and I claim that there is nothing unreasonable or unfair in the proposals in the Bill. The Bill provides for a fair return on capital after allowing for rates and taxes, and depreciation and renovations, such as painting. Most people, when a Fair Rents Bill is mentioned, visualise something in the nature of a confiscation of property, but a perusal of the Bill would convince anyone that nothing of the kind is contemplated. The $1\frac{1}{2}$ per cent. which is allowed over the current overdraft rates from the Commonwealth Bank is not mandatory. The Bill says it shall not be less than $1\frac{1}{2}$ per cent. We realise there is not the same stability as far as the goldfields are concerned as there would be in the metropolitan area, and considerably more than $1\frac{1}{2}$ per cent. over the current overdraft rate of interest could be allowed on the goldfields on a £400 property, and this would still allow a fair rental to the tenant, and at the same time provide a quick return of capital to the person who had it invested. The Workers' Homes Board require the repayment of the whole of the capital invested, plus rates and taxes and interest, in a period of 10 years, and if these terms were applied to private investors it would give them a reasonable return in the shape of interest on capital invested, a quick return on capital, and provide a reasonable rent for the tenant. The argument is advanced that if this legislation is passed it will retard building activities as far as the goldfields are concerned. I am prepared to admit that to an extent that would be true, but as an offset against that I believe that building operations have practically reached the saturation point as far as investors on the goldfields are concerned and, bearing that in mind, it is better to pass this legislation and give justice to the 700 or 800 tenants who at the present time are being charged extortionate rents, than to allow the landlords to have the license which has been theirs during the last few years, to continue charging extortionate rents rather than have extra houses built on the goldfields. It might be an advantage if the building of houses on the goldfields by private enterprise were immediately discontinued. The people would then raise their voice and demand that the Government provide decent housing accom-

modation. As a Labour representative it is my opinion that one of the first duties of the Government is to see that the workers of the country are decently housed. The passing of the legislation would also have the effect of forcing owners of old houses to instal decent facilities and conveniences, such as are enjoyed by tenants in other parts of the State. If the court were sitting and found the houses on the goldfields did not possess washhouses, coppers or troughs, the capital value of the properties would be considerably reduced, and the tenants would not be called upon to pay such high rents. That would compel the owners to instal up-to-date conveniences. I do not want it to be thought that I believe all owners of property are extorting high rents from their tenants. I know a number of fair and reasonable landlords who have owned property for many years, and have not raised the rentals except to provide for increased rates which have been brought about as the result of enhanced valuations. But unfortunately these are in the minority. The majority of owners of property on the goldfields to-day are out to get as much as they possibly can from the tenants, and I hope that this legislation will be passed, and that it will provide relief to people in the goldfields area, a relief to which I consider they have been entitled for a number of years.

HON. C. G. LATHAM (York) [8.40]: I do not know that the Minister is going to achieve any good by the measure he has introduced. After listening to the speech of the member for Kalgoorlie (Mr. Styants), I think we are going to find that the Bill will present even greater difficulties. What will the Bill do? It will not reduce rents by one penny, but it will make speculators shy of investing any money in this form of security. To hear the member for Kalgoorlie, one would think that by Act of Parliament we could compel people to build houses. He referred to the lack of conveniences, washhouses, and coppers and troughs. But the Bill is not going to provide those things. Moreover, there will still be a shortage of houses. If what the member said about the charging of extortionate rents is correct, this line of investment must be very attractive to capital. Of course, up there property is a somewhat dangerous security. Not long ago I remember trainload after trainload of houses being brought from the goldfields and re-erected in country

towns. Merredin has a number of them. And that sort of thing will happen again. One has only to go over the old goldfields centres to see the dilapidation that has taken place. I do not think this legislation is going to assist one bit. Repeatedly have I said that, if the Government want to do something worth while, let them supply cheap workers' homes and reduce the cost thereof. Judging by the homes built by the Workers' Homes Board last year, there is nothing very cheap about them. Moreover, the board insists upon full repayment within 10 years. Why? Because the security is not good enough. So I think the Minister and those supporting him are likely to do an injury to those who require cheap houses. If this is to be such a wonderful investment, I do not know of any better way in which the Workers' Homes Board could invest its capital. But it is not an attractive proposition and, instead of the Bill being of service to the people of the goldfields, it is likely to do them a great disservice. Would the hon. member invest his money in building homes?

Mr. Styants: I have no money to invest.

Hon. C. G. LATHAM: But if the hon. member had money for investment, would he invest it in such security? He has plenty of friends on that side of the House with any amount of money, including, probably, you yourself, Mr. Speaker. But no, if there is any money to be invested, it will be invested in city property.

Mr. Hegney: What about investing your own money?

Hon. C. G. LATHAM: I have none, and if I had, this Bill would prevent me from investing it in dwellings. The Bill will defeat its own object. The only alternative to what the Minister desires is to get hold of the Treasurer and induce him to advance another £40,000 or £50,000. That would provide more homes.

Mr. Styants: It would suit us.

Hon. C. G. LATHAM: That is so. Why does the hon. member support a Government that will not do the right thing, but instead brings down such legislation as this, which is absolutely useless. The member for Katanning (Mr. Watts) set out exactly what the rental values will be for these houses.

Mr. Styants: Not for a house of £400.

Hon. C. G. LATHAM: The hon. member's figures show that the rent of a £400 house would be more than £1 per week.

Mr. Styants: That is for properties that are to become the tenants' own.

Hon. C. G. LATHAM: Does not the hon. member realise that the tenant will have to pay taxes and keep the place in repair?

Mr. Styants: That is all included in the 26s. 6d. per week.

Hon. C. G. LATHAM: Not repairs to the buildings. Under the Workers' Homes Act the tenant has to provide his own repairs and do his own painting.

Mr. Styants: Rates and taxes and all else are included in the repayment of 26s. 6d. per week.

Hon. C. G. LATHAM: And the tenant does not own the house until the end of 10 years. And then it is the house, without the land.

Mr. Styants: The tenant can buy the land at a satisfactory valuation.

Hon. C. G. LATHAM: The hon. member should induce the Government to erect these houses.

Mr. Styants: They want their money for the farmers.

Hon. C. G. LATHAM: Well, they keep it from the farmers. The farmers have nothing to thank the Government for. However, I am not going to discuss that, for the Speaker will rule me out of order. There is nothing to be gained by the Bill. If I thought it would reduce rents, I would be very glad to support it, for I am wholly in favour of any movement from either side of the House that will bring down rents so that the wages man can provide a home at a weekly rental of one day's wages.

Mr. Hegney: What is your proposition? Where are the Government to get the money from?

Hon. C. G. LATHAM: Let them finish with this foolish tram proposition and save the £84,000; also let them cease remitting fines imposed on wealthy people, and get on to building homes for those who want them. The Government are all the time giving away revenue, money they are not entitled to give away.

Mr. Hegney: Did your Government do anything like that?

Mr. SPEAKER: Order!

The Minister for Agriculture: One cannot build homes with black labour.

Hon. C. G. LATHAM: The Minister is a good judge of that. I do not know anything about black labour, but it is all right for the Minister. I know that a few of them

were his friends when he was up in Broome. He was very attentive to them, and he introduced legislation to give the Japanese certain protection.

Mr. SPEAKER: Order! That has nothing to do with the Bill.

Hon. W. D. JOHNSON: And now you had better get back to the Bill.

Hon. C. G. LATHAM: I am not giving this Bill my blessing.

Mr. Cross: We would not expect you to do so.

Hon. C. G. LATHAM: I am satisfied that the Bill will defeat the object desired by the Minister.

MR. HUGHES (East Perth) [8.50]: I support the Bill, but the member for Kalgoorlie (Mr. Styants) would be well advised to consider Clause 8 carefully before giving it his blessing. The basis of the Bill is the fixing of the capital value of the house, and the rent will ultimately be determined on the capital value. Clause 8 contains the following:—

Such capital value shall be the capital sum which the fee simple of the property comprising the dwelling-house and the land occupied therewith might be expected to realise if offered for sale upon such reasonable terms and conditions as a bona fide seller would require.

Thus the first thing a magistrate would have to determine would be the price that might be expected to be paid by a willing purchaser to a reasonable seller. To fix that capital value, he would first need to ascertain the rent being paid for the house and calculate the capital value on that rent. Although the magistrate's decision is to be final and there is to be no appeal, he will find any amount of legal authority to support that view. Time and again has it been clearly laid down that, in assessing the value of shares in a company, the determining factor is the dividend that the shares pay. Shares of a face value of £1 might be quoted on the market at £3, but the reason they sell for £3 is that they are paying dividends of 10, 12, or 15 per cent. Therefore people are willing to pay £3 for £1 shares, because they will show a return of 4½ to 5 per cent. If the shares had to be valued for taxation purposes, or a court had to place a value on them, they would not be assessed at their face value.

Mr. Cross: Quite true they would not.

Mr. HUGHES: Has the hon. member been caught?

Mr. Cross: I have.

Mr. HUGHES: I know that gentlemen opposite are fairly heavily interested in capitalistic enterprises. The member for Kalgoorlie might well take heart; the member for Canning has been here for three years and is interested in shares. If shares of a nominal value of £1 and a market value of £3 had to be valued for probate, they would be assessed at the market value, and, as I said, the market value is determined by the dividends returned. Thus it is fairly clear from Clause 8, which is the substance of the Bill, that the magistrate, when an application is made to him, will be obliged to ask, "What is the rent of the house to-day?" Then he will have to calculate the capital value on which that rent would represent a fair rate of interest. If a house was returning £2 per week and the magistrate found that the net return was £100 per year, taking 12½ per cent. as a fair return for that type of property, he would value the house at £800. Having arrived at the capital value, he would then have to go back and finally fix the rent. He could not act otherwise under the Bill unless he considered current sales of property. I cannot speak of recent sales on the goldfields, but with the high rents quoted by the member for Kalgoorlie, I should imagine that any sales taking place would have been made on the basis of the enhanced rentals. A house that cost £150 when I went to Kalgoorlie 40 years ago and, with others, helped to blaze the track for our friends who came later when streets had been laid out, water supplies and other facilities had been provided, would probably have a value of £400 in Kalgoorlie to-day because of the enhanced rental obtainable.

Mr. Hegney: I did not know you were as old as that.

Mr. HUGHES: If the magistrate took that factor into account he would be forced to fix the capital value at a very high figure, and therefore the Bill would not achieve what is desired for the people of the goldfields. As regards the metropolitan area, I believe the Bill will not reduce rents except in isolated instances. A house in the metropolitan area which, with land, cost £1,000 in 1930—I am allowing 10 per cent. for the land—could probably be built to-day for £800, a reduction of 20 per cent., and the rental being charged for such a house would not show the return prescribed in Subclause

2 of Clause 8. If the capital value were fixed on current market values in Perth—which would be more stable than the Kalgoolie figures—the landlord would have to get 7 per cent., plus the annual rates, plus the amount estimated to be required annually for repairs, including painting, maintenance and renewals. The first thing the magistrate would do would be to say that the house must be painted externally every three years and internally every seven years. Many of us do not paint our homes externally every three years and internally every seven years, but with a common factor prescribed to that effect, it would be the only guide the magistrate would have in determining a fair estimate annually for painting, maintenance and renewals. He would have to add insurance, plus the amount estimated to be the annual depreciation in value of the dwelling, if such depreciation diminished its letting value. The magistrate will have to take into consideration the fact that depreciation reduces the letting value of a house, unless that depreciation is offset by an appreciation in land values. Age depreciates values. A house built ten years ago is not as readily let in the suburbs as is a modern house built on up-to-date architectural lines. The Bill will not be very effective in the metropolitan area, except in certain quarters. If we had a different method of assessing the capital value, the Bill could be made effective here and there. I made some extensive investigations myself some 13 or 14 years ago. I went from house to house in my youthful legislative enthusiasm garnering information about rents. If I remember rightly, I found that houses that had been built 20 or 30 years before, and at that time were being let for 8s. a week, had more than doubled in rent in the meantime, ultimately bringing in up to £1 a week. Some of those houses exist to-day. In respect to the capital cost of building in the first place, such houses are to-day returning an exorbitant rent. They have, however, changed hands many times since they were built, and the sale price has been fixed on the rental value. If a person owning one of those houses went before a magistrate for a re-assessment of rent, the magistrate would fix the amount on the present rental value, or would take the selling price of the house on the previous occasion when it changed hands. I do not think the Bill is likely to do very much in the metropolitan area in the way of reducing rents. The final clause would be a very diffi-

cult one to carry into effect. Renewals, maintenance and painting are definitely associated with depreciation. The depreciation of a property is reduced by the extent to which it is renewed or replaced. If one spent £50 a year on repairs and maintenance to such a rapidly wasting asset as a motor car, one would naturally reduce the depreciation by that amount.

Hon. N. Keenan: That rule does not apply in the case of motor cars.

Mr. HUGHES: Let any hon. member cease to spend anything on his motor car for 12 months and he will see how much depreciation he has suffered at the end of the year. By making replacements of worn-out parts, one certainly prolongs the life of a car.

Mr. Sleeman: A car depreciates greatly in value after being one week on the road.

Mr. HUGHES: That is a fashion depreciation, not a utility depreciation.

Mr. Patrick: It is an actual depreciation, nevertheless.

Mr. HUGHES: That is so if one desires to sell the car. Have members tried that on in their taxation returns? I would be interested to see any instance of where the Taxation Department have allowed, in addition to ordinary wear and tear, depreciation of, say, 25 per cent. upon the capital value of a car from the moment when it was driven out of the garage. When we assess the depreciation on a motor car or machinery, we fix it at a certain figure. Were it not for the renewals and replacements from time to time, that figure would be very much higher, because the car or machinery would cease to be effective so much sooner. When we are allowing for repairs and maintenance upon an asset like a building or land, the depreciation should be very low. I should think that the magistrates might make a rough and ready rule, and say they would allow 1 per cent. depreciation on the capital value. If my friends want to make this Bill really effective on the goldfields, I suggest they seriously consider Clause 8, and find a new determinant for fixing the capital value; otherwise, if the Bill does become law, they will find themselves in the position they occupy to-day. We know that all landlords are not rapacious. It is only a few whom we require to control. When we endeavoured to legislate along these lines in 1923 or 1924 we did not desire to inter-

be excluded from the Bill. The licensee does nothing towards improving the value of the premises. He has the good fortune, or, as we know in many instances, the necessary inside running, to get a license which considerably enhances the value of the premises. I do not know why registered clubs should be eliminated, but I do not think it matters greatly. Why should we eliminate lodging houses and boarding houses in which are found many people not fortunate enough to be able to rent even one of the cheaper cottages on their own?

Hon. C. G. Latham: That remark ought to apply to the goldfields.

Mr. HUGHES: It applies to May-street as well as the goldfields. Surely the type of citizen who lives in a boarding or lodging house is just as much entitled to protection against rapacious landlordism, where it exists, as is any other citizen. The rents charged for summer residences almost make one think that some of our friends opposite own premises of that kind. Many people living in the city or the country like to go to the seaside for a period during the summer months. Certainly it is only fair that the person assessing the rental value of seaside premises should take into consideration that such premises remain quiet for considerable periods; but there is no reason why the Bill should not apply to premises let only for the summer season. If the principle of fixing fair rents for premises is to be established, it should not be restricted to a small section. If Kalgoorlie people desire that protection, they certainly should have it; but why should it not be extended to people living in hotels and boarding and lodging houses, and to city dwellers who occasionally are able to afford a holiday at the seaside?

Mr. Steeman: It is badly needed for tenants of business premises.

Mr. HUGHES: Undoubtedly. Until recently there was some restriction on city rentals through the Restriction of Rents Act. One method of inducing the investment of money in dwellings would be to make the investment of money in city buildings less remunerative. In my opinion the insurance company who have just put up a large building in St. George's-terrace would have done more good for Western Australia if, instead of providing additional offices and flats in the heart of the city, they had gone out and bought a tract of land and

tags on their own?
Hon. C. G. Laitham: That remark ought to apply to the goldfields.
Mr. HUGHES: It applies to Hay-street as well as the goldfields. Surely the type of citizen who lives in a boarding or lodging house is just as much entitled to protection against rapacious landlordism, where it exists, as is any other citizen. The rents charged for summer residences almost make me think that some of our friends opposite own premises of that kind. Many people living in the city or the country like to go to the seaside for a period during the summer months. Certainly it is only fair that the person assessing the rental value of seaside premises should take into consideration that such premises remain unlet for considerable periods; but there is no reason why the Bill should not apply to premises let only for the summer season. If the principle of fixing fair rents for premises is to be established, it should not be restricted to a small section. If Kalgoorlie people desire that protection, they certainly should have it; but why should it not be extended to people living in hotels and boarding and lodging houses, and to city dwellers who occasionally are able to afford a holiday at the seaside?

be excluded from the Bill. The licensee does nothing towards improving the value of the premises. He has the good fortune, or, as we know in many instances, the necessary inside running, to get a license which considerably enhances the value of the premises. I do not know why registered clubs should be eliminated, but I do not think it matters greatly. Why should we eliminate lodging houses and boarding houses in which are found many people not fortunate enough to be able to rent even one of the cheaper cottages on their own?

Hon. C. G. Matham: That remark ought to apply to the goldfields.

lages on their own?
Hon. C. G. Latham: That remark ought to apply to the goldfields.

created a model suburb of homes available to workers at reasonable rents. There is no great demand for offices in St. George's-terrace; the tenants of these new offices are moving out of other offices. Insurance companies have entered the field of home-building by a scheme of advances at $4\frac{1}{4}$ per cent. up to two-thirds of the value of property to policy holders, but this unfortunately involves the prospective borrower in the necessity to take out an insurance policy. This extra cost brings the total amount payable by him to the level of what he is paying at the present time. Insurance companies are not lending the money at $4\frac{1}{4}$ per cent. because they want to help people, but because they want to find outlets for their accumulated funds. The solution of the problem is to be found in a supply of cheaper money; and I do not care if that is called inflation, because I know it is not inflation. Premises on which money has been advanced up to two-thirds of the value can be taken as a mortgage investment. It rarely happens that a first mortgagee loses his money. The people who take the risk in building are the builders and the purchasers of equities. To-day the position appears to be that if a house is built at a cost of £750, the builder can get a first mortgage up to £500 at a fairly low rate of interest—say $\frac{1}{2}$ per cent. over bank rate. But in order to get money to carry on he invariably sells his equity to someone who is prepared to take a speculative investment for a higher return. The average amount a builder gets for a £250 equity is £175 or £180. Therefore, if the equity carries 7 per cent. interest on £250, the purchaser of the equity at £180 receives over 10 per cent. for his money.

Hon. C. G. Latham: When he is paid.

Mr. HUGHES: When he is paid. He is the person who takes the risk. I doubt whether throughout the depression many first mortgagees lost their money. The first person to suffer in a depression is the purchaser of an equity over and above the first and second mortgagees. People who have been buying homes and reducing their principal by payments over years, suddenly discovered one morning that their equity had gone. The depression had arrived, and their equity was completely wiped out. The next party to suffer would be the second mortgagee. Frequently his equity was wiped out entirely or in part. But very

rarely has the first mortgagee lost either his principal or his interest.

Mr. Hegney: Only where the solicitor made a bad mortgage. I could give a few instances of that.

Hon. C. G. Latham: Do not speak personally.

Mr. Hegney: I could speak personally if I wished.

Mr. HUGHES: I do not think I have made any bad investments in property for anyone else. I did not know the hon. member was an investor in property.

Hon. C. G. Latham: The capitalists are on that side of the House.

Mr. Styants: The only thing we lack is capital.

Hon. C. G. Latham: You are bound to lose that some time.

Mr. HUGHES: A first mortgage is recognised as a gilt-edged security, so much so that the law allows trustees to invest their money in that direction. I believe we could, without any risk at all, issue currency—

Hon. C. G. Latham: The State could not do that.

The Minister for Justice: At any rate, not under this Bill.

Mr. HUGHES: No, but we will not do anything unless we put forward suggestions. I claim that the currency-issuing power could issue, with safety, currency up to two-thirds of the value of real estate anywhere in Australia, on condition that the advance was paid back by instalments over a period of from 20 to 30 years, with a nominal premium rate of one-half per cent. in order to cover the cost of handling and any possible losses. If statistics, covering a number of years, were compiled regarding city properties in the six States of Australia, a reserve fund could be built up that would be so great that even if in isolated instances, such as mining towns, values declined, the reserve would easily cover the consequent losses. If that were done, it would be tantamount to linking our currency with realty as well as with gold, and it would provide people with an opportunity to secure homes for themselves because, instead of paying interest as they have to do on a first mortgage to-day plus a small amount off the principal, the whole amount paid off in interest would be in reduction of the principal. It would have this advantage, that it would close to that type of investment that form of security and would make available for investment on second mortgage a far greater

amount of money. The result would be that people would find it much easier to secure their own homes, which I regard as the most desirable solution of the housing problem. I do not want people to be crowded into flats. It is only in countries where there is land shortage that that form of housing should be resorted to. The most desirable solution would be to make it as easy as possible for people to get their own homes. Although it may be said that the suggestion that we should advance currency against realty would really represent inflation of the currency, that is not so, because against the issue of notes we would have substantial assets. That can easily be demonstrated by a simple test to determine whether or not it amounts to inflation. If I were to suggest to you, Mr. Speaker, that you could have either a building in the city valued at £20,000 or £10,000 worth of Commonwealth bank notes, without any hesitation you would take the building, because you would know that at any time the building would provide you with much more credit and greater purchasing and spending power than £10,000. Personally I do not think very much will be done under the provisions of the Bill unless we can amend Clause 8, which deals with the basis to be adopted for the determination of a fair rent. I believe we could do that by going into the cost and making due allowance for subsequent expenditure, and so forth. In principle, I have been for many years in agreement with this move and I intend to support the second reading of the Bill.

THE MINISTER FOR JUSTICE (Hon. F. C. L. Smith—Brown Hill—Ivanhoe—in reply) [9.26]: The few members who have spoken have endeavoured to damn the Bill with faint praise, and, in the course of his remarks, the Leader of the Opposition merely used assertions but no arguments. Consequently, there has been very little opposition to the Bill. The member for Katanning (Mr. Watts) went so far as to say that probably there was need for a Bill of this description in some areas of the State. For my part, I claim there is very definite need for it in some parts; but I cannot see why it should be desired that the Bill should not have application to every portion of the State, particularly in the manner in which it has been framed, because if the rentals charged in Katanning or the metropolitan area are fair and reasonable, there

will be no need for anyone to invoke the provisions of the Bill, which, in consequence, will not do injury to anyone. I quite agree with the hon. member that workers are desirous of renting their homes at a cost representing one day's wages, but whether they are able to acquire homes at that cost is quite a different proposition. Not every worker can see his way clear to acquire a home, and the reason for that is not always due to the fact that his financial position will not permit him to do so. Most frequently that is the outstanding explanation, but, on the other hand, it is the nature of their employment and the uncertainty of the wage-earning class in respect of their employment that militates against their securing homes for themselves. There is also the grave possibility, with which they are constantly threatened in many areas, of having to move elsewhere for the purpose of finding work that makes them look for a house to rent, rather than set about acquiring homes of their own. Unfortunately, I did not catch the value of the house which was quoted by the member for Katanning, but if it was £400 as was suggested by the Leader of the Opposition and his calculations at 6½ per cent. on that basis, plus rates and taxes led him to believe it would amount to 34s., he is a pretty poor calculator.

Hon. C. G. Latham: I did not say 34s. a week.

Mr. Watts: It was a thousand pound house.

The **MINISTER FOR JUSTICE**: I thought that was what the hon. member said. My calculations would lead me to believe that a return based upon the provisions of this Bill upon a thousand pound house, would amount to about 30s. a week. At any rate if it amounted to 34s., it shows that this Bill has been drawn on very liberal terms, and not terms that could be complained about by those landlords who are desirous, in connection with their investments, of getting only a fair rent from their tenants. The member for Katanning suggested that we should make provision in the Bill for some allowance to be included in the fair rent for loss of rent through a house being empty at some time or other. That would be definitely impracticable. I cannot see how it would be possible to make provision for loss of rent through a house being empty. I cannot even

see that it would be desirable. After all, this investment in bricks and mortar is just like any other investment. There is no allowance made if the Harvey potato grower cannot sell some of his potatoes.

Hon. C. G. Latham: No, but there is no legislative interference.

The MINISTER FOR JUSTICE: But there is economic interference.

Hon. C. G. Latham: So there is in connection with the house builder.

The MINISTER FOR JUSTICE: I know there is. There is an economic interference. He cannot let his house at a certain time. The member for Katanning would suggest that because he cannot let his house for a certain portion of the year, a landlord should be permitted, through a rent that is not fair, to exploit some tenant to make up the loss he incurred through the house being empty. That would lead to a situation in which there would be two comparable houses in the same street with different rentals being fixed by a court which we would call a fair rents court. The thing of course, is absolutely impossible. The hon. member spoke of houses that were let for six months in the year. There is a provision in the Bill which excludes summer residences from the application of this Act and I take it that these are the kind of houses he had in mind when he was speaking of houses let for six months of the year.

Mr. Watts: I excluded those.

The MINISTER FOR JUSTICE: Well, I do not know what other houses you were referring to which are let for only six months of the year. They are the only ones of which I know. There may be other classes but, generally speaking, the only houses let periodically are summer residences at some seaside resort. The hon. member also referred to the difficulty of assessing the capital values. He said it would be difficult for a magistrate to decide the matter. Probably it would be, but it would not be difficult, under the powers conferred upon him in the Bill, to call in a sworn valuator or someone who is skilled in the matter of valuing houses to assist him in that connection. He has said that what has happened on the goldfields may happen anywhere, and that is what I say. The exploitation that has occurred on the goldfields in recent years on account of the sudden transference of labour from the

agricultural to the mining areas may happen at any time and the reverse may happen at any time. That is quite a possibility. It is quite a possibility, if prosperity is maintained in the mining areas, for the same prosperity to be revived in the agricultural and metropolitan areas, and consequently I say there is no justification whatever for making the provisions of the Bill apply to only one particular area in the State. The Leader of the Opposition said that the Bill meant nothing. He said it would accomplish nothing and after saying that he declared it was going to make speculators shy, that it would prevent building operations. Although it means nothing, it is going to make speculators shy!

Hon. C. G. Latham: It will mean nothing unless you are doing what the Minister for Lands says we do.

The MINISTER FOR JUSTICE: I cannot see how it is going to make speculators shy if it means nothing.

Hon. C. G. Latham: It means nothing to you.

The MINISTER FOR JUSTICE: What it means is that it will prevent those who exploit their tenants from continuing to exploit them and consequently the hon. member feels that as a result of that section of landlords who exploit their tenants being prevented from doing so, building is going to be affected to that extent. The Leader of the Opposition says that what has happened on the goldfields will happen again. He believes that in the future there will be a transference of labour possibly from the goldfields areas to the agricultural areas or the metropolitan area, and that is quite probable too. I think a case can definitely be established for a fair rents Bill to apply to the metropolitan area at any rate. I cannot speak very intimately of the agricultural or rural areas in this State, but I know that there is a small percentage of landlords in the metropolitan area who do exploit their tenants and endeavour to extort from them rents that are not fair. This Bill does not aim to reach any other section of landlords. Even the member for East Perth agreed with me when I said that all landlords are not rapacious; and neither they are. There is only a small section which is rapacious, just as there is only a small section of mortgagees which is rapacious, and consequently we had to pass legislation during the depression to

protect not all mortgagors, but those whose mortgagees were rapacious.

Hon. C. G. Latham: We made it apply to all mortgagees.

The MINISTER FOR JUSTICE: I know you did. Why? So that you would embrace that small section which you knew would exploit the circumstances in which they found mortgagors. The member for East Perth (Mr. Hughes) complained about the basis of the Bill. He has had some experience, for some years ago he introduced a similar measure which embraced some of the principles contained in this Bill. I think I am right in saying that the basis he included in his measure was the basis of the cost of the building, that the rent was to be fixed on what the building cost. On a basis of that description we would have two houses in one street, both of which cost £500 to build. After a period possibly of five years, one of them is sold for £1,000 as a result of an appreciation in value, but the other house still belongs to the original owner. Consequently we would have two houses in the same street competent for letting purposes, one owned by the original owner, which had cost him £500, and the other owned by a person who had paid £1,000 for it. There we would have a basis as fixed by the member for East Perth, with one house costing £1,000 and the other £500. Yet that is the member who complained about the basis of valuation in this Bill.

Mr. Hughes: It is a wonder I got any support for that Bill if it was as bad as that.

The MINISTER FOR JUSTICE: It was very niggardly support.

Mr. Hughes: What do you mean by that?

The MINISTER FOR JUSTICE: I thought you said that you had supported this Bill.

Mr. Hughes: No.

The MINISTER FOR JUSTICE: The basis we have provided in the Bill is the only possible basis upon which a fair rent can be established. The member for East Perth gave us a wonderful example of special pleading in connection with the valuation of property being determined by the rent that it was fetching. He seems to me to have developed a very accommodating mind since he came into the Chamber; probably it is even more accommodating since he joined the legal profession. He knows that the capital value of a property would not be determined by the magistrate of a fair rents

court upon the rent the house was bringing. The obvious basis for determining the capital value of any property, whether in the metropolitan area or on the goldfields, would be how much it would cost to put a similar house on a similar block in either of those districts.

Mr. Hughes: No, that is the cost of building.

The MINISTER FOR JUSTICE: It is not the cost of building, because due allowance would have to be made for the depreciation as the result of the property being there for many years. On the goldfields I know of places that could be built to-day for £400 which are fetching £2 per week. Would the hon. member say that £2 per week was the basis on which the capital value of that property should be determined?

Mr. Hughes: No.

The MINISTER FOR JUSTICE: When we can get a new house for £400 and we find another house of comparable dimensions which has been there for 30 years, would the hon. member say that £2 a week was the basis on which the capital value of that house would be determined? Of course not. Would he ask how much would it cost to erect a house of comparable dimensions and would he ask how long had the original house been there?

Mr. Hughes: Exactly. That is the clause you want to fix the capital value. I agree with that.

The MINISTER FOR JUSTICE: We have such a clause in the Bill, a clause which says that the capital value shall be the price the property would fetch in the market. It will not fetch in the market an amount that is determined on the basis of the rental; it will only fetch in the market the amount determined in comparison with the cost of the building of another house of comparable dimensions.

Mr. Hughes: In Committee I will move an amendment to embody that suggestion of yours.

The MINISTER FOR JUSTICE: I think Clause 8 covers that now. I cannot see how it could be better explained by the member for East Perth than it is already explained in the Bill. That is the explanation I gave to the draftsman of the Bill, and the Bill is drafted on that basis.

Mr. Marshall: These lawyers are a fair curse to us.

The MINISTER FOR JUSTICE: They certainly are. On the whole I am pleased with the reception that has been given to the Bill. The member for East Perth wanted to know why it did not apply to shops and licensed premises and summer residences, and a few other classes of building. The reason is that the Bill is drawn for the purpose of applying to dwelling houses. That is the most urgent need at present. The hon. member and some other members seem to think we are not ambitious enough. That is the extent of our ambition on this occasion, because we feel that, after all, the tenants we have in mind are not interested in the rentals of shops or of licensed premises but, generally speaking, they require homes, and moreover the wages they earn are determined by the fixing of the basic wage. I thank members for their reception of the Bill and am pleased that little opposition has been expressed against it.

Question put and passed.

Bill read a second time.

BILL—FACTORIES AND SHOPS ACT AMENDMENT.

In Committee.

Resumed from the 29th October. Mr. Sleeman in the Chair; the Minister for Employment in charge of the Bill.

Clause 39—Repeal of Section 102A and insertion of new section:

The Minister for Employment had moved an amendment—

That the following proviso be added to Sub-section (1) of the proposed new Section 102A:—"Provided further that a motor service station may on any day and at any hour—(a) maintain a parking place for vehicles if all goods offered for sale in or at the motor service station are screened or partitioned to the satisfaction of the Minister from access by the public at all times outside the hours of business as hereinbefore prescribed; (b) maintain a towing service for the purpose of recovering and safely housing in such parking place any vehicle which may be disabled or unable to proceed on its journey."

Mr. NORTH: I have a letter from the directors of a garage in Perth, addressed to the member for West Perth, that should be of interest to the Minister. It reads:—

We are drawing your attention to the following matters because you are one of our customers and will realise the serious effects of the

proposed amending Factories Bill as it touches our business.

We are the largest individual service station petrol resellers in the metropolitan area or in the State. On an average we supply 100 customers every night after 7 p.m., and after 1 p.m. on Sundays approximately 200 customers are supplied with petrol. The largest percentage of our customers have informed us of their perturbation at the suggested restrictions. The Service Station Association's report, that the largest percentage of garage proprietors want the night closing of petrol stations, is based on the number of small suburban garage proprietors' wishes, whose total gallonage would not be more than 10 to 20 per cent. of the petrol distributed in Perth.

We do a considerable gallonage with medical practitioners in Perth, who have definitely stated that they would be seriously inconvenienced and handicapped should they be unable to obtain petrol supplies during the night when they are urgently required. We certainly do not want night closing of our garage, and trust the suggested restrictions do not come into force and cause further unemployment in the metropolitan area.

Those representations should be considered. They show another side to the Minister's proposals.

Hon. W. D. Johnson: Surely then it must be necessary to keep butcher shops open to give us fresh meat!

Mr. NORTH: All sorts of services are maintained on Sunday—aeroplane, ship, railway and tramway services—and there is no reason why road transport should be penalised. Though the average car carries enough petrol to last over the week-end, many motorists have had their cars milked on Saturday night. Quite a number of tanks are not as petrol-tight as they should be. An old bus I drove years ago was parked near the river. A very evil-looking man was in charge of the stand. I omitted to leave the customary shilling, and when I returned 1½ hours later to drive the old hearse home, there was a big dent in the tank as if caused by a blow from a hammer, and the petrol was running out. The man professed to be concerned about the accident, but the car had to be parked there for the night. There is considerable opposition to the Minister's proposal. It will apply at the very time when the people enjoy their leisure—on Saturday evening and Sunday afternoon. Those are the occasions of many joyful parties. Imagine two couples taking a drive on Sunday afternoon and the petrol running out. They reach a garage and ask for petrol and are met with the reply, 'No, the legislation of the Minister for Employment is in force, and we cannot supply it.

You may buy any spare parts but you cannot get petrol." The proposal contains a definite encouragement to break the law for, in such circumstances, the bowser would probably be milked. Failing that, what would be the alternative? If the girls had to walk home, what would dad say? They would tell him that the Minister for Employment was responsible. Why should he be blamed for a happening of that kind?

Hon. C. G. LATHAM: Under the amendment a service station will have to keep a man on the premises to provide towing service and parking accommodation, and why cannot he supply petrol? There is an award covering those employees. Are they to be idle most of the time they are in attendance? If it is necessary to keep men to render the services mentioned, why should they be prevented from selling petrol?

Hon. P. D. FERGUSON: Will this clause allow the Royal Automobile Club to continue the established services that are run for its members?

The MINISTER FOR EMPLOYMENT: Yes. If we are going to have any limitation of trading hours in respect to the sale of petrol we cannot allow petrol to be sold outside those hours without breaking down the system. If petrol is sold outside the stipulated hours, it can then be sold to anyone at any time. That is the objection to providing that petrol may be sold in cases of emergency. If there were any means of overcoming that situation, there would be no objection to petrol being supplied in cases of urgency. A good deal of thought has been given to that point, but no practical and safe way has been discovered of supplying petrol in cases of emergency and withholding the sale in the case of other would-be purchasers.

Mr. SAMPSON: The Bill is impracticable and useless and will restrict trade.

The Minister for Employment: You supported it on the second reading.

Mr. SAMPSON: This particular part is utterly useless. It will bring not only the Government but the people of the State into contempt. I hope every clause relating to the closing of service stations will be struck out.

The Minister for Employment: My amendment will soften the clause.

Mr. SAMPSON: It is evident there is a softening somewhere. If anything is calculated to throw men out of work, it is

the withdrawal from the public of the convenience at present afforded to them.

Hon. N. KEENAN: I could understand the Minister if he wished to close all these service stations during certain hours on weekdays and for certain hours on Sunday, but I cannot understand his allowing them to remain open for the sale of spare parts, etc., when, whilst the employees are selling spare parts, they are not also permitted to sell petrol. Spare parts and petrol are equally necessary. If it is right that service stations should be permitted to sell the one, why can they not sell the other? The way out would be to prohibit these stations from remaining open for the sale of petrol only; but where they are affording service in other respects, I do not see why they should not also supply petrol.

Mr. WATTS: The Minister is making provision for the maintenance of parking places, towing services, and the housing of vehicles unable to proceed on their journey, and also proposes to allow spare parts to be purchased. Nowhere has he rendered it lawful for anyone who supplies the spare part to put that part into the right place in the motor vehicle. At least 50 per cent. of motorists would find very little use for a spare part unless a mechanic was permitted to put it to its rightful use. I move—

That the amendment be amended by inserting after the word "place" in paragraph (b) the words "and facilities for effecting urgent repairs to."

Without some such words as these in the Minister's amendment, it would be impossible for anyone to take advantage of it.

The MINISTER FOR EMPLOYMENT: The amendment on the amendment is unnecessary. The award which covers the employment of mechanics and engineers in service stations provides for working after the ordinary hours set out in the award, and thus covers the object of the member for Kattanning. The position is thoroughly well provided for already.

Mr. WATTS: There may be something in what the Minister says; but even so, there is considerable doubt whether, if an interpretation of this provision were ever needed, the conclusion which the Minister expects would be the one arrived at. The whole clause is unsatisfactory; but in the expectation that it will be carried, I am hoping the Minister will accept my amendment on the amendment. Although an award may

provide for overtime work, how can the premises remain open lawfully if the Bill provides that it shall be unlawful for them to remain open on certain days? It might not be a question of the employee at all, but a question of the employer doing the work; and the employer is not allowed to have his premises open for business at all times. The amendment on the amendment is vitally necessary. It merely asks the Minister to implement his own amendment.

The MINISTER FOR EMPLOYMENT: I have no serious objection to the amendment on the amendment, but merely consider the position to be already fully met in another direction. The object of the clause is, largely, to regulate the hours during which service stations may sell to the public.

Hon. W. D. JOHNSON: The point raised by the member for Katanning is purely industrial. If the Minister's amendment is carried, the position will continue as it is today. When one's motor car breaks down in a country district, one has to run around and find a mechanic, and one has to pay him a special rate for the inconvenience caused to him by working outside ordinary hours.

Mr. Watts: I am thinking of city service stations.

Hon. W. D. JOHNSON: Industrial conditions are governed by an existing Act and by established tribunals. Such conditions should not be included in this measure. The employer sells the part, and for practical purposes one has to leave the car in the service station and catch a train.

Mr. Sampson: Nothing of the sort. The Royal Automobile Club fixes you up.

Hon. W. D. JOHNSON: My experience has been as I have described. The clause simply prevents Sunday trading, which is not necessary in this direction. Opposition members want men to work all hours, to be available at any old time. They have no consideration for the workers and their conditions. Why all this concern about service stations? The object is to try to break down industrial standards. If it is right to close butchers' shops at one o'clock on Saturday, thus preventing people from getting meat on Saturday afternoon to be eaten on Sunday, then it is wrong to leave service stations open for the supply of petrol on Sunday. The vast majority of motorists do not wait until Sunday to get their supplies of petrol. People should secure their petrol supplies

before the week-end, and thus do away with the necessity to supplement them on Sunday. Why should men be forced to work on Sundays because of the neglect and carelessness of motorists who fail to provide themselves with adequate petrol supplies?

Hon. N. Keenan: If you allow a man to sell nuts and bolts, why not petrol as well?

Hon. W. D. JOHNSON: I would not allow him to do that.

Hon. C. G. Latham: I have seen you buying nuts on a Sunday morning!

Hon. W. D. JOHNSON: Instead of maintaining industrial standards so that work shall not be carried out on Sundays, Opposition members are endeavouring to prevent the closing of petrol stations, which was not provided for in the past because the necessity was not so great as at present. Opposition members should be ashamed of themselves.

Mr. WATTS: Had it not been for the remarks of the member for Guildford-Midland. I would not have further participated in the discussion. There is no intention on my part to make anyone work at an improper time. Does the member for Guildford-Midland desire that every operation shall cease on the Sabbath? Many people, including workers, visit the metropolitan area during week-ends and if their cars should break down, the member for Guildford-Midland would prevent them from having repairs effected so that they could return to their homes. I merely propose that facilities shall be permitted for urgent repairs to be carried out. To say that motor car owners should not be afforded those facilities is absolutely futile.

Mr. SAMPSON: Without the amendment the clause will provide a contradiction in terms. How is it possible in every instance for a car to be towed? Facilities must be provided to enable the car to be towed? How will the Royal Automobile Club view this proposal? Motor cars have frequently to be repaired on the road. The Bill is utterly impossible.

Mr. SEWARD: I am surprised at the attitude of the member for Guildford-Midland. To suggest that because we are endeavouring to assure that service stations will remain open for the convenience of motorists, we are out to adversely affect the conditions of the workers is quite ridiculous. If service stations are required to remain open, the employees will be worked on shifts.

Hon. W. D. Johnson: Why not apply the same principle to butchers' shops?

Mr. SEWARD: Does not the housewife get in provisions to last over the week-end?

Mr. Cross: Can you not do that with petrol, too?

Mr. SEWARD: If the member for Guildford-Midland were in the middle of his harvesting operations and his tractor broke down, would he not immediately get into his car and go to Perth in order to procure a spare part and thus possibly save two or three days? Recently two Ministers of the Crown visited my electorate, and had they not been able to replenish their petrol supplies on Sunday, they could not have returned to the city until the following Monday. The hon. member's argument was ridiculous.

Hon. P. D. FERGUSON: Supposing a member of the medical fraternity in the metropolitan area receives an urgent call, and on his way meets with a small accident. What is to happen if he breaks a spare part or something goes wrong with his car, and he is in the vicinity of a service station, and is unable to reach his destination without assistance? Surely he should get assistance?

Mr. Fox: The patient might die while he was having repairs made. He could ring for a taxi.

Hon. P. D. FERGUSON: I hope the hon. member will not be the patient, and that he will have some consideration for those who are patients.

Amendment on the amendment put, and a division taken with the following result:—

Ayes	..	..	..	..	18
Noes	..	..	..	..	18

A tie	0
-------	----	----	----	----	---

AYES.

Mr. Boyle	Mr. McLarty
Mrs. Cardell Oliver	Mr. Patrick
Mr. Doust	Mr. Sampson
Mr. Ferguson	Mr. Seward
Mr. Hill	Mr. Thorn
Mr. Hughes	Mr. Warner
Mr. Keenan	Mr. Watts
Mr. Latham	Mr. Welsh
Mr. Mann	Mr. Doney

(Teller.)

NOES.

Mr. Coverley	Mr. Needham
Mr. Cross	Mr. Nulsen
Mr. Fox	Mr. Raphael
Mr. Hawks	Mr. Rodoreda
Mr. Hegney	Mr. F. C. L. Smith
Mr. Johnson	Mr. Stynants
Mr. Lambert	Mr. Wilcock
Mr. Marshall	Mr. Wise
Mr. Millington	Mr. Wilson

(Teller.)

The CHAIRMAN: The voting being equal, I give my vote with the Noes.

Amendment on the amendment thus negatived.

Amendment put and passed.

The MINISTER FOR EMPLOYMENT: I move an amendment—

That the following subsection be inserted after Subsection (2) of proposed new Section 102A:—“(3) Notwithstanding anything heretofore contained it shall not be unlawful for any person in charge of a motor service station to sell or dispose of any part or accessory of a mechanically propelled vehicle in any case of emergency at any time or on any day.”

It is probably as well to anticipate the asking again of the question that has already been asked and answered twice as to why petrol should not be supplied under similar conditions. The reason is that petrol would have to be supplied to any or everybody during the day or night. The intention to limit the hours of trading would thus be entirely defeated. If there is to be a limitation of trading hours in regard to the supply of petrol, it is impossible to make it legal for petrol to be supplied even in so-called emergency instances after the limited hours which are already provided in the clause. It would be impossible to deny petrol to any person after the ordinary trading hours if the word “petrol” were to be included in the amendment I have moved.

Mr. HUGHES: I move an amendment on the amendment—

That after the word “dispose” the words “fit or instal” be inserted.

We are obviously dealing with a case of emergency, and I think the member for Guildford-Midland was wrong in saying that these conditions would be governed by the Industrial Arbitration Act, because that Act governs only the relations between employer and employees. In the majority of the motor garages in East Perth the proprietor is the mechanic, and, consequently, if it were necessary to go to the garage to find a spare part, the man obliged to fit it would be the proprietor himself. So no matter what he did, he cannot come into conflict with the Industrial Arbitration Act.

Hon. W. D. Johnson: What would prevent him from fitting it?

Mr. HUGHES: Because he is only allowed to keep the station open for the purpose of selling spare parts or accessories, not

for fitting them. If we are going to allow him to stay there to sell a spare part or accessory, particularly as it is a matter of urgency, the logical thing is to place no disability on his fitting and installing it.

THE MINISTER FOR EMPLOYMENT: I have no objection to the amendment on the amendment. It has to be remembered that those parts and accessories can only be sold in cases of emergency. My amendment, if reasonably interpreted, would give the power that the amendment on the amendment will more implicitly give.

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

Hon. C. G. LATHAM: I move an amendment—

That after "district," in line 6 of Subclause 3, the words "and to such other shop districts or specified localities as the Governor may from time to time by proclamation extend it" be struck out.

That will restrict the operation of the Act to the metropolitan shop districts and the Eastern Goldfields shop districts, and will not permit the Government to go outside of those districts. If, by leaving in the words that I propose to strike out, we allow the Government to extend the provision beyond those districts, in a very little time all country districts will have this applied to them. These words have been put in the Bill for a purpose, and I am not going to hand over to the Government any such power.

THE MINISTER FOR EMPLOYMENT: These words have not been put in the Bill for any evil purpose.

Hon. C. G. Latham: That depends on the interpretation of the word "evil."

THE MINISTER FOR EMPLOYMENT: No doubt, as time goes on, certain districts, probably on the goldfields, will ask that the provision be extended to cover those districts.

Hon. C. G. Latham: You mean Southern Cross, for instance.

THE MINISTER FOR EMPLOYMENT: Southern Cross is a much more progressive district than is, say, the York district, and I therefore feel that if either of those districts asks to have this provision extended, it will be Southern Cross. But I can assure members that this provision has not been put in the Bill with a view to being extended to other districts without their knowledge and their wishes. Most certainly it has not been put in the Bill with the object of bringing

the whole of the State under this provision as soon as the Bill becomes law. It is only to enable an extension of this principle to be granted to other districts when conditions warrant it.

Mr. WARNER: In the event of the amendment being defeated, and these words not being struck out, shall I be able to move an amendment striking out the word "proclamation" and inserting the word "request"?

THE CHAIRMAN: If the Committee decide against this amendment, the hon. member will not be able to move such further amendment.

Amendment put, and a division taken with the following result:—

Ayes	..	..	..	..	19
Noes	..	..	..	..	19
<hr/>					
A tie	..	..	..	..	0
<hr/>					

AYES.

Mr. Boyle	Mr. North
Mrs. Cardell-Oliver	Mr. Patrick
Mr. Doust	Mr. Sampson
Mr. Ferguson	Mr. Seward
Mr. Hill	Mr. Thorn
Mr. Hughes	Mr. Warner
Mr. Keenan	Mr. Watts
Mr. Latham	Mr. Welsh
Mr. Mann	Mr. Doney
Mr. McLarty	

(Teller.)

NOES.

Mr. Coverley	Mr. Nulsen
Mr. Cross	Mr. Raphael
Mr. Fox	Mr. Rodoreda
Mr. Hawke	Mr. F. C. L. Smith
Mr. Hegney	Mr. Styants
Mr. Johnson	Mr. Tonkie
Mr. Lambert	Mr. Willcock
Mr. Marshall	Mr. Wise
Mr. Millington	Mr. Wilson
Mr. Needham	

(Teller.)

THE CHAIRMAN: I give my casting vote with the noes.

Amendment thus negatived.

Hon. C. G. LATHAM: I move an amendment—

That the proposed new Subsection 4 be struck out.

The proposal is to empower the Governor from time to time by proclamation to revoke or vary any proclamation made under this section. To give power so to alter anything agreed to by Parliament would be dangerous. I do not know whether the policy of the Government is to legislate by proclamation, but I have always been opposed to that principle. It is a reversion to the dark ages when power rested with the King. Now the power lies with the people, but this will deprive them of their power. If provision were made to effect alterations by regula-

tion, Parliament would have a say in the matter. At every opportunity I shall voice my disapproval of this class of legislation. Members opposite might live to regret it when they have not the power they possess to-day.

Amendment put and negatived.

Mr. NORTH: Has the Minister any information that service stations would keep open under the conditions prescribed in the proposed new section? Would it be worth their while doing so on the off chance of a break-down occurring if they were not permitted to sell petrol? If not, would that influence the Minister to withdraw the proposed new section or would it be a reason for getting the Governor to alter a proclamation?

Mr. SAMPSON: The proposed new Subsection 5 defines "motor service station." We have already inserted the words "fitted or installed" and they should be consequentially included in the definition. I should like to move an amendment to insert after "supplied" in the proposed new Subsection 5 of words "or fitted or installed."

The Minister for Employment: That is already provided for.

Hon. C. G. LATHAM: I hope the clause will be negatived. The provision in the existing Act is sufficient. I cannot understand the Minister's action. For a Minister for Employment to introduce anything that will throw men out of work is extraordinary. Some of the petrol stations employ three shifts of men and, if stations are to be closed at 7 p.m., those men will be thrown out of work. For the Minister to say that he is desirous of providing employment is hypocrisy. The member for Guildford-Midland spoke of the closing of butchers' shops and similar establishments. Why is not the power station closed down? Why are not the trains and trams prevented from running?

Hon. W. D. Johnson: Motor cars will run just the same.

Hon. C. G. LATHAM: They cannot run without petrol. People possessed of means will be able to buy a drum of petrol, but the people whom the Labour Party at one time represented—the workers—will not be able to afford to buy 40-gallon drums of petrol. The Minister must realise that by his action men will be thrown out of work.

Hon. W. D. Johnson: We do not want men to be working on Sunday.

Hon. C. G. LATHAM: But this applies to week-days as well. The hon. member does not understand the Bill. All he does is to make speeches by interjection. Had he read the Bill, he would have understood that men working 1½ shifts would be affected. In the interests of the men who are employed already, the Committee should reject this clause.

Mr. SAMPSON: If a motorist stores petrol on his own premises, he will invalidate his insurance policy, and it will therefore be necessary to get out some fresh form of policy.

Clause (as previously amended) put, and a division taken with the following result:—

Ayes	..	..	..	..	19
Noes	..	..	..	..	19

A tie

AYES.

Mr. Coverley	Mr. Nulsen
Mr. Cross	Mr. Raphael
Mr. Fox	Mr. Rodoreda
Mr. Hawke	Mr. F. C. L. Smith
Mr. Hegney	Mr. Styants
Mr. Johnson	Mr. Tonkin
Mr. Lambert	Mr. Willcock
Mr. Marshall	Mr. Wise
Mr. Millington	Mr. Wilson
Mr. Needham	

(Teller.)

NOES.

Mr. Boyle	Mr. North
Mrs. Cardell-Oliver	Mr. Patrick
Mr. Dault	Mr. Sampson
Mr. Ferguson	Mr. Seward
Mr. Hill	Mr. Thorn
Mr. Hughes	Mr. Warner
Mr. Keenan	Mr. Watts
Mr. Latham	Mr. Welsh
Mr. Mann	Mr. Doney
Mr. McLarty	

(Teller.)

The CHAIRMAN: I give my casting vote with the ayes.

Clause, as amended, thus passed.

Clause 40—Amendment of Section 103 of the principal Act:

The MINISTER FOR EMPLOYMENT: I move an amendment—

That after the word "amended" in line 2, the following paragraph be inserted:—" (a) by striking out the words 'on one week-day' in line 4 of Subsection (1) and substituting the words 'on Saturday.' "

This amendment is to provide for the new conditions that will be set up by this Bill.

Mr. North: Does this mean that small shops will have to close at 8 o'clock?

The MINISTER FOR EMPLOYMENT: Yes.

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

Clauses 41 to 43—agreed to.

Clause 44—New section: Butchers' shops.

Mr. HILL: I move an amendment—

That in line 5 the words "seven" and "six" be struck out, and "six" and "five" inserted in lieu.

I am sure such an amendment as this will be of great advantage to the butchering business, with which I am fully acquainted.

The MINISTER FOR EMPLOYMENT: The member for Albany did not support the amendment by any arguments. I do not propose to accept it, as it is considered that the trading hours provided in this clause are quite reasonable.

Amendment put and negatived.

Clause put and passed.

Clause 45—agreed to.

Clause 46—Amendment of Section 112 of the principal Act:

Mr. WATTS: I move an amendment—

That in line 4 after the words "No shop-keeper and," the following be inserted:—"unless otherwise provided for in any industrial award or agreement."

It is unreasonable to prohibit the canvassing for orders to a time within half an hour of closing, and there would also be difficulty in preventing the delivery of goods within half an hour of closing.

The MINISTER FOR EMPLOYMENT: The hours fixed in any award or agreement would not provide that an employee should be permitted to canvass for orders, or deliver goods, up to any specified hour. Such an award or agreement would merely permit of shop assistants being employed overtime and being paid at overtime rates for the period so worked. The idea of the clause is to place a limit on the overtime at present worked in delivering goods to customers. In some districts the practice of delivering goods after closing time has developed to a disgraceful extent, delivery vans being seen at all hours of the night, not because there is any real necessity for it, but because some employers are not prepared to employ the number of workers they should for the amount of business they transact. The principle of the clause is most desirable and necessary, and I do not propose to accept the amendment, because, in addition to the reasons I have already stated,

the amendment seems to me to be so worded as to make it have no effect whatever upon the limitations set forth in the clause. To accept the amendment, and to operate it, would mean that deliveries could go on all hours up to midnight.

Hon. C. G. LATHAM: As they do now?

The MINISTER FOR EMPLOYMENT: To some extent, yes. I hope the amendment will not be pressed.

Hon. C. G. LATHAM: I was surprised to hear the Minister say that he has seen vans out delivering goods at all hours of the night. Why is not the Act enforced?

The Minister for Employment: It is enforced.

Hon. C. G. LATHAM: The relevant provision in the existing Act reads:—

No shopkeeper and no shop assistant shall within an area within a radius of two miles of the shop in which he is engaged canvass for orders or deliver goods to customers for more than one half-hour after the closing time fixed in the Act.

The Premier: Vans deliver the near orders first, and then get away out in the bush.

Hon. C. G. LATHAM: What is meant by "canvassing for orders"? Does it mean canvassing inside the place of business?

The Minister for Employment: No.

Hon. C. G. LATHAM: I say it does. What is intended, presumably, is canvassing outside the place of business.

The MINISTER FOR EMPLOYMENT: I imagined that the member for Katanning was about to suggest that canvassing for orders be permitted to take place up to closing time. That is the only amendment I would be prepared to consider here.

Amendment put and negatived.

Hon. C. G. LATHAM: I move an amendment—

That in proposed Subsection 1 the words "within one half hour" be struck out, and "after" inserted in lieu.

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

Clause 47—agreed to.

Clause 48—Amendment of Section 119 of the principal Act:

Mr. SAMPSON: I do not quite understand the proviso. Does it mean that no shop assistant shall work or be required to work more than one half-hour after closing time on more than two consecutive days in

any one week? It might mean, in any one year. I move an amendment—

That the words "in any one week" be added to the proviso.

The MINISTER FOR EMPLOYMENT: Those words would be altogether superfluous. The clause sets out the conditions regarding overtime, and states on how many days in the year overtime may be worked. Obviously the proviso means that no employee shall be permitted to work on three consecutive days on the overtime basis.

Mr. SAMPSON: With the permission of the House, I will withdraw the amendment.

Amendment, by leave, withdrawn.

Clause put and passed.

Clauses 49 to 69—agreed to.

Clause 70—Repeal of Fifth, Sixth and Seventh Schedules:

Mr. SAMPSON: I oppose the clause. It is not desirable that a storekeeper shall be prevented from enjoying the privilege he has at present under certain conditions, to close on one afternoon in the week.

Clause put and passed.

Clause 71—agreed to.

Title—agreed to.

Bill reported with amendments.

BILL—PEARLING CREWS ACCIDENT ASSURANCE FUND.

Council's Amendments.

Schedule of two amendments made by the Council now considered.

In Committee.

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

No. 1: Clause 4: Subclause (2), paragraph (d):—Delete the words "with the State Accident Insurance Office or with any other insurer, being a company or underwriters who have complied with the provisions of the Insurance Companies Act, 1932 (Commonwealth)," in lines 1 to 5, on page 4.

The MINISTER FOR AGRICULTURE: I move—

That the amendment be not agreed to.

Question put and passed; the Council's amendment not agreed to.

No. 2: New Clause 14:—Insert a new clause, to stand as Clause 14: —

14. No individual member of the Board or any officer or servant of the Board shall as such be under any personal liability to any creditor or person having any claim against the Board beyond the property of the Board in his hands.

The MINISTER FOR AGRICULTURE: I move—

That the amendment be not agreed to.

Question put and passed; the Council's amendment not agreed to.

Resolutions reported, and the report adopted.

A Committee consisting of the Premier, Hon. C. G. Latham and the Minister for Agriculture drew up reasons for not agreeing to the amendments made by the Council.

Reasons adopted, and a message accordingly returned to the Council.

House adjourned at 11.30 p.m.