

Legislative Assembly,

Wednesday, 12th August, 1931.

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

QUESTIONS (2)—LANDS.

Warburton Ranges Expedition.

Mr. MARSHALL asked the Minister for Lands: Is it a fact that the Government have equipped and sent out a party of surveyors to survey pastoral lands in the vicinity of the Warburton Ranges, approximately north of Laverton? 2, If so, is this work to be done at the expense of the State or of private parties. 3, If at the expense of the State, what monetary reward do the Government expect to receive from the work?

The MINISTER FOR LANDS replied: 1, A party of surveyors with a geologist attached has been instructed to examine the country referred to in respect to its pastoral and mineral possibilities. 2, The work will be done at the expense of the State. No work is being done for any private person by this party. 3, It is anticipated that much valuable information will be obtained.

Big Bell Reserve.

Mr. MARSHALL asked the Minister for Mines: 1, Is the Government reserve around the Big Bell lease at Cue released and open for selection? 2, If not, for what reason is this land still closed to the public?

The MINISTER FOR MINES replied: 1, No. 2, To enable the holder to complete financial negotiations in London for carrying out development operations.

QUESTION—FINANCIAL EMERGENCY ACT.

Application to Hospitals.

Mr. PANTON asked the Attorney General: 1, Is he aware that the Crown Solicitor has ruled that hospitals are State instrumentalities and come within the purview of the Financial Emergency Act? 2, If so, what action does he propose to take in view of his definite assurance given during the Committee stage of the Bill? 3, In view of the Health Department's demand for a reduction of all salaries and wages, will he make a definite statement on behalf of the Government as to how it is proposed to apply the Act to hospitals assisted out of the hospital tax fund?

The ATTORNEY GENERAL replied: 1, Yes, and I agree with his opinion. 2, The definite assurance given by me was that the hospital fund would not be interfered with under the Financial Emergency Act, and that if Mr. Pantan's amendment was found necessary it would be inserted. That assurance has been carried out. 3, The employees of State instrumentalities are affected by the Act in exactly the same manner as the employees of the Government.

QUESTION—KANGAROO SKINS, ROYALTY.

Mr. DONEY asked the Chief Secretary: Having regard to the big increase of kangaroos and other large marsupials reported from various parts of the State and the damage being done to growing crops and feed, will he abolish the royalty on marsupial skins and thus assist to reduce production costs of wheat and wool?

The CHIEF SECRETARY replied: I am not in a position to answer this question until the Treasurer has been consulted.

QUESTION—RAILWAY CROSSINGS, WARNINGS.

Mr. DONEY asked the Minister for Railways: 1, Remembering the tragedy at Tooday and despite his negative reply to last week's deputation from the Country Women's Association requiring warnings of approaching trains at level crossings, will he consider the installation at the more dangerous crossings of a warning bell similar to the one at

the Guildford crossing? 2, Was he correctly reported when credited with saying that warning bells could not be erected at a cost of less than £100 each and that attendants were necessary? Are there not automatic bell warnings? 3, If preventive measures are impracticable at present on the score of cost, will he take steps in Cabinet to make it statutorily incumbent upon all drivers of charabancs carrying passengers to stop their vehicles immediately prior to passing over a level crossing, and failure to comply a penal offence?

The MINISTER FOR RAILWAYS replied: 1, The matter is under consideration. 2, No. I stated that the cost of installing these warning signals would be approximately £100 each and in addition they would require constant attention. Moreover, they might involve the Railway Department in liability for damage in the event of any breakdown or mechanical defect preventing their operation whilst a train was approaching the crossing and thereby misleading the road users. 3, The matter is one for the consideration of the Minister controlling the Traffic Act, but the Railway Department is at all times anxious to take effective measures to prevent such occurrences, not only from the danger to the road users but also the train crews.

QUESTION—DAIRY STOCK.

Mr. J. I. MANN (without notice) asked the Minister for Agriculture: Has the Superintendent of Dairying, Mr. Baron Hay, left for the Eastern States with the intention of purchasing pigs and cattle for this State?

The MINISTER FOR AGRICULTURE replied: Yes.

WROTH BANKRUPTCY SELECT COMMITTEE.

Extension of time.

MR. MARSHALL (Murchison) [4.37]: I move—

That the time for bringing up the report of the select committee be extended for one week.

The chairman has been ill for a couple of days and all that remains to be done is to draw up the report.

The Minister for Railways: The effect of the report has already been published in the Press.

Question put and passed.

LEAVE OF ABSENCE.

On motions by Mr. Wilson, leave of absence for two weeks granted to Mr. Lamond (Pilbara) on the ground of urgent private business, and to Miss Holman (Forrest) and Mr. Lutey (Brownhill-Ivanhoe) on the ground of ill-health.

On motion by Mr. North, leave of absence for two weeks granted to the Premier (Hon. Sir James Mitchell—Northam) on the ground of urgent public business.

MOTION—STATE FORESTS.

To revoke dedication.

On motion by the Minister for Forests, ordered: That the proposal for the partial revocation of State forests Nos. 4, 6, 14, 15, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 33, 34, 36, 37, 38, 39, 42, and 43, laid on the Table of the Legislative Assembly by command of His Excellency the Administrator, be carried out.

Resolved: That the resolution be transmitted by message to the Council, and its concurrence desired therein.

BILL—PEARLING ACT AMENDMENT.

Read a third time and transmitted to the Council.

BILL — FREMANTLE (SKINNER-STREET) DISUSED CEMETERY AMENDMENT.

Standing Orders Suspension.

On the motion by the Minister for Lands resolved: That so much of the Standing Orders be suspended as is necessary to enable the Bill to be passed through its remaining stages at the present sitting.

Remaining Stages.

Report of Committee adopted.

Bill read a third time and transmitted to the Council.

BILL—CONSTITUTION ACTS AMENDMENT.

Council's Amendments.

Schedule of two amendments made by the Council now considered.

In Committee.

Mr. Richardson in the Chair; the Attorney General in charge of the Bill.

No. 1. Clause 2.—Delete the word "ninth," in line 3, and insert in lieu thereof the word "tenth."

The ATTORNEY GENERAL: After the Bill left this Chamber it was pointed out that the 9th is the last day of the pay, and that in order to avoid a great amount of unnecessary work and some confusion it would be better to make the measure date from the first day of the next pay, namely, the 10th. This amendment was made at the instance of the Leader of another place. I move—

That the amendment be agreed to.

Mr. SLEEMAN: Is another place in order in making an amendment which means that an additional sum of money must be found by the Government to pay extra salary for another day? Though I do not object to the amendment itself, I object to its being made by another place. I ask your ruling, Mr. Chairman, whether another place is entitled to make the amendment.

The CHAIRMAN: The hon. member's question is to a great extent a legal one, as it really asks for an interpretation of Subsection 3 of Section 46 of the Constitution Acts Amendment Act, 1899, as amended by the Act of 1921. I understand that Mr. Speaker has given the question his attention, and has sought advice from the Law officers of the Crown. The opinion expressed by those officers is that the amendment does not contravene the provisions of the section mentioned.

Mr. SLEEMAN: Strong exception should be taken to the acceptance of the amendment. Its rejection would better serve the people than would the receipt of the small fraction of pay involved. We should send the amendment back to the Council. A similar point was raised by the member for Hannans on another Bill. We are getting too much into the habit of saying, "We will let this go, and we will

look into the matter." If I can prevent it, I will not permit another place to make an amendment of this nature. The fact that the Speaker has gone into the question shows there is grave doubt as to the amendment.

Question put and passed; the Council's amendment agreed to.

No. 2. Clause 4.—Delete "first" and insert "tenth" in line 23.

The ATTORNEY GENERAL: I move—
That the amendment be agreed to.

This amendment is consequential.

Question put and passed; the Council's amendment agreed to.

Resolutions reported, the report adopted, and a message accordingly returned to the Council.

BILL—TRUSTEES' POWERS.

Council's Amendment.

Amendment made by the Council now considered.

In Committee.

Mr. Richardson in the Chair; the Attorney General in charge of the Bill.

No. 1. Insert a new clause to stand as Clause 7, as follows:—"No action, indictment, information or other proceedings shall be commenced, presented, prosecuted or maintained against any trustee lawfully exercising the power conferred upon him by this Act."

The ATTORNEY GENERAL: This is a perfectly proper amendment, making it quite clear that provided a trustee exercises bona fide the powers conferred upon him by the measure, he shall not be liable to be prosecuted or sued.

Hon. P. Collier: Is this an improvement made by Mr. Nicholson in the Bill?

The ATTORNEY GENERAL: Yes. It may be said to represent that excess of caution which is characteristic of the north side of the Tweed. The insertion of this new clause may be wise. I move—

That the amendment be agreed to.

Question put and passed: the Council's amendment agreed to.

Resolutions reported, the report adopted, and a message accordingly returned to the Council.

BILL—MORTGAGEES' RIGHTS RESTRICTION.

Council's Amendments.

Schedule of six amendments made by the Council now considered.

In Committee.

Mr. Richardson in the Chair; the Minister for Lands in charge of the Bill.

No. 1. Clause 2.—After the word "instalments," in line 22, insert the words "or otherwise."

The MINISTER FOR LANDS: This amendment has really been agreed to by the Assembly. It was thought desirable to get the Bill to another place quickly, and the amendment was inserted there. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 2. Clause 6.—Delete Subclause 2, and insert in lieu thereof the following:—"Nothing in this Act contained shall in any way invalidate or otherwise affect any order obtained by any mortgagor or tenant under the Tenants, Purchasers, and Mortgagors' Relief Act, 1930."

The MINISTER FOR LANDS: This amendment meets a point raised by the member for East Perth. I move—

That the Council's amendment be agreed to.

The amendment preserves to mortgagors or tenants any benefits obtained under the other measure in the event of their applying to the court for protection under this Bill. A mortgagee, if the amendment is agreed to, will not be able to apply to the court for an alteration during the term of a stay order. The other measure applies to reduction of interest and foreclosure.

Question put and passed; the Council's amendment agreed to.

No. 3. Clause 6, Subclause 3.—Delete the words "lessor," in lines 16 and 18, and insert the word "lessee" in lieu thereof.

The MINISTER FOR LANDS: This amendment represents the correction of misprints. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 4. Clause 8, Subclause 1.—Add at the end of paragraph (d) the following words:—"and where the money secured by the mortgage is the whole or part of moneys belonging to a trust fund, whether such refusal would unreasonably delay the mortgagee or trustee of such fund from distributing same amongst the beneficiaries or persons entitled thereto."

The MINISTER FOR LANDS: It has been thought advisable to include the words added by this amendment to meet the case of any estate having to be wound up under a deed of trust or a will. It is considered that without the words in question the court would not have the opportunity of giving trustees or executors the option to wind up an estate. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 5. Clause 11.—Add subclauses to stand as Subclauses (4) and (5), as follows:—

(4.) Notwithstanding the foregoing provisions of this section, any such process as aforesaid may be issued in any proceeding in the ordinary form, provided it is endorsed with the words "Not to be executed against land except by leave of the Supreme Court," and such process may be registered, as against land under the Transfer of Land Act, 1893, by entry made in the register book after lodgment of a copy of the process as provided in section one hundred and thirty-three of the said Act, and, as to land not under the said Act, by registration of such process in manner provided by the Ordinance 19 Victoriae, No. 14.

(5.) For the purpose of calculating any period of time fixed by section ninety or one hundred and thirty-three of the Transfer of Land Act, 1893, or fixed by statute or otherwise as the period after the expiry of which a writ cannot be enforced against land or any particular piece of land, any period during which such writ has been prevented by this Act from being so enforced shall not be taken into account.

The MINISTER FOR LANDS: The points covered by the Council's amendment were raised by the member for Swan. It is

only fair that, if protection is to be given to the debtor, it should also be extended to the creditor. Subclause 4 will enable the debtor to have some control over land, and prevent the creditor from disposing of it. It will enable process to be taken and it will be endorsed, so that no action shall follow unless by leave of the court. Subclause 4 is necessary because under the Transfer of Land Act a writ of *fi. fa.* can continue for four months only. Subclause 4 will permit the order to remain in force for such longer period as the stay order may operate. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 6. Insert a new clause to stand as Clause 19, as follows:—

19. No person shall be prevented by this Act from continuing any action or proceeding which he has commenced before the first day of June, 1931.

The MINISTER FOR LANDS: It was considered that some date should be fixed for the commencement of the application of the Act. The Council propose that it shall be retrospective as from the 1st June last, and I think that is a reasonable date. It means that if any action for foreclosure had been started before the 1st June last, it may be proceeded with, but if started after that date, the provisions of the Bill will apply. I move—

That the amendment be agreed to.

Hon. A. McCallum: We shall commence to lose confidence in the Legislative Council. They have proposed a retrospective clause!

Hon. P. Collier: Actually retrospective to the 1st June!

Question put and passed; the Council's amendment agreed to.

Resolutions reported, the report adopted and a message accordingly returned to the Council.

BILL—FINANCIAL EMERGENCY.

Council's Amendments.

Schedule of 20 amendments made by the Council now considered.

In Committee.

Mr. Richardson in the Chair; the Attorney General in charge of the Bill.

No. 1. Clause 2.—Delete "ninth" and insert "tenth," in line 4. (Consequential amendment in line 8.)

The ATTORNEY GENERAL: When dealing with the Constitution Acts Amendment Bill, I explained the point involved in the Council's amendment, which changes the date from the 9th to the 10th. I move—

That the amendment be agreed to.

Mr. SLEEMAN: We have no right to allow the Legislative Council to make such an amendment.

The Attorney General: Why not?

Mr. SLEEMAN: Because it increases expenditure. To all intents and purposes, this is a money Bill. The Chairman of Committees admitted that he had grave doubts about the right of the Council to make such amendments, and that the Speaker had secured legal opinion on the point. Although I have to bow to the rulings of the Speaker and the Chairman of Committees, I still maintain that the measure is a money Bill, and that we should not, in consequence, agree to the Council making any such amendments. The Leader of the House in the Council said that every week the passage of the Bill was delayed meant the expenditure of a further £10,000. The alteration of the dates will mean one-sixth of that amount, and the workers will benefit to a slight degree. However, I shall always oppose the Legislative Council making amendments of this description, and for that reason I shall oppose the amendment.

Mr. MARSHALL: I cannot agree with the member for Fremantle. The amendment arose as the result of a discussion in this Chamber when the point was raised by the member for Hannans. The clause was passed on the understanding that the matter would be looked into, and, if necessary, the amendment would be made in another place. It demonstrates that the only useful purpose the Legislative Council can serve is to insert these tiddly-winking amendments. We can pass legislation rapidly through this House, have points that are raised looked into and, if necessary, amendments inserted by the Council.

Hon. P. Collier: The Council can correct spelling; they can alter two letters in one word!

Mr. MARSHALL: That is so. We can push legislation through, and tell the Council to make any necessary amendments, and they immediately do so.

The Attorney General: If that is the only use to which the Legislative Council can be put, it would not justify the existence of that House, because we could insert the amendments ourselves.

Mr. MARSHALL: Then the Minister is with me that the Council is useless! In any case, we can be proud of this amendment as the Council have acted at our dictation.

Mr. SLEEMAN: The attitude adopted by the member for Murchison makes the position so much worse. If such an amendment is necessary, we should make it ourselves and not allow the Legislative Council to do it for us.

Question put and passed; the Council's amendment agreed to.

No. 2. Clause 5—Insert after the word "Mortgage," in line 6, page 3, the words "except as hereinafter mentioned."

The ATTORNEY GENERAL: The Council's amendment refers to mortgages and to exemptions. I do not know whether the discussion on the general question will take place on this amendment or subsequently. I move—

That the amendment be agreed to.

Hon. A. McCALLUM: The Bill applies to all mortgages and the Council propose, in the next amendment to be considered, that there shall be certain exemptions. It may be unusual for Parliament to pass a clause of such a description applying to the Crown, but the Premier gave us an assurance that there would be a reduction in connection with advances made by State institutions.

Hon. J. C. Willecock: He said the reduction of interest would be passed on to the clients of the State banks, and so forth.

Hon. A. McCALLUM: Those who have been dealing with State banks have just as much right to relief as have those dealing with private banks. This amendment is introducing an entirely new feature to the Bill. The Attorney General, all through his references to the Plan said we were all in it, that everybody had to make sacrifices, that there would be no exemptions. No reason has been given for the amendment. If the amendment is agreed to

we shall be agreeing to certain exemptions being made.

The Attorney General: I would not commit you to that. If these words were inserted and Amendment No. 3 were defeated, it would make no difference to the meaning of the measure.

Hon. A. McCALLUM: If we defeat this, you cannot insert No. 3.

The Attorney General: Oh yes, we could.

Hon. A. McCALLUM: Well, we can discuss them item by item, but this is the first provision for exemption, and later it is provided what the exemption shall be. I am opposed to any exemption. The Attorney General strenuously opposed every attempt on our part to secure exemptions for certain wages and salaries. I protest against this provision for exemptions, and against the Attorney General's somersault. We should be told why this alteration is to be made at this stage.

Mr. KENNEALLY: I suggest we should have from the Minister an explanation of why this amendment is proposed. This would be the right time for that explanation.

The ATTORNEY GENERAL: I would not expect the Committee to accept amendment No. 3 without a statement on the subject, but to discuss the general principles of amendments No. 2 and No. 3 would be fruitless, because it might be that the Committee wished to accept (a) or (b) or (c), or all of them, of amendment No. 3.

Hon. P. Collier: Personally, I agree to (a) but not to (b) or (c).

The ATTORNEY GENERAL: I suggest that the carrying of amendment No. 2 would not commit the Committee in any way, for if it is decided to reject amendment No. 3, at the worst it could be said that amendment No. 2 was left in the air.

Question put and passed; the Council's amendment agreed to.

No. 3. Insert after the word "instalments," in line 16, the following words:—"The term shall not include or apply to— (a) any mortgage given to or by the Crown, or to or by any State instrumentality; or (b) any mortgage given to or by any governing body appointed or constituted under any Act relating to local government; or (c) any mortgage given to a bank to secure a bank overdraft."

The ATTORNEY GENERAL: I move—

That the amendment be agreed to.

The member for South Fremantle has said I made it clear that I did not propose to allow any exemptions. During the Committee stage I made it clear that I did not think it wise to endeavour to apply a flat rate of 22½ per cent. cut immediately to bank interest. I agreed that a certain attitude then taken up by the banks was not a proper attitude, and that we should insist upon knowing what deductions were to be made. On the other hand, I said I thought it possible to enforce on the banks a flat rate reduction of 22½ per cent. Then I went on to say I did not pretend to a complete understanding of banking but I did not think we should say the whole of the interest charged by the banks should be brought down forthwith on a flat rate of 22½ per cent. I certainly intended to make it clear to the Committee that unless we were driven to measures by the utter failure of the banks to perform what they had undertaken to do, I thought statutory interference would be undesirable. At that time I was by no means clear whether the definition in the Bill did really cover—

Hon. A. McCallum: You said it did.

The ATTORNEY GENERAL: At one stage I said so, but later a doubt was raised, and I was endeavouring to indicate to the Committee what my view on the subject was. I went on to say I was determined we should get something definite before the banks were allowed to escape their share in the cut. Since then I have had various communications from the Eastern States, including one from the Premier, in which he said, "Please be sure banks not included in emergency legislation as banks' position has been met." I also made it my business to discover what has been done in regard to bank interest by the other States. I find that Tasmania and Queensland have definitely excluded it. In Victoria, the measure is still in the Assembly. There the Bill includes bank interest, but provides that the inclusion shall not come into operation until it is proclaimed. In South Australia the Bill includes bank interest, but it is not to come into operation until the 1st October. Clearly, those two States propose to hold the big stick in order to use it in the event of the banks not carrying out what

is deemed to be the proper arrangement in pursuance of their undertaking at the conference. So it appears to me that each State regards it as being a dangerous thing to rush straight in and inflict a flat 22½ per cent. reduction. We must all agree that it would be preferable to have a certain amount of elasticity in this. Banking is a delicate business—

Mr. Kenneally: And so is scratching for a living on the part of the basic wage man.

The ATTORNEY GENERAL: May be, but the point is that the basic wage man would not have the basic wage or anything at all if we were to upset the arrangements with the banks. What is occurring to me is that in our present system of society, banking plays an extremely important part in financing Governments and the industry of the community, and that anything which led to a serious upset in banking arrangements might severely reflect itself on the rest of the community. I propose to recommend to the Committee that the exemption of banks under this measure be agreed to, but in doing so I make the very definite promise—and I think I have plenty of support for the carrying out of the promise—that if the banks do not conform with what they have now said they will do within a reasonable time, say the beginning of October, we will bring down a measure that will deprive them of that exemption.

Mr. Kenneally: Why not insert it now?

The ATTORNEY GENERAL: We cannot.

Hon. A. McCallum: Why not? We can add to this.

The ATTORNEY GENERAL: But I want to do this in my own way.

Mr. Marshall: We want a little say in it.

The ATTORNEY GENERAL: The hon. member has had at least as much say as I have had. I want my own way in this.

Mr. Panton: Another place will get its own way.

The ATTORNEY GENERAL: I do not think there will be the slightest difficulty there.

Mr. Panton: That is where the friends of the banks are.

The ATTORNEY GENERAL: If the hon. member would count heads he would see it was clear that if we make out a proper case it will be agreed to.

Hon. A. McCallum: How do you reason in that way?

The ATTORNEY GENERAL: I know the constitution of another place, and the views of members of parties there.

Hon. A. McCallum: But it is a non-party House.

The ATTORNEY GENERAL: If the hon. member moves an amendment here, it is noticeable that in due course it is moved in another place by a member of the same party as his own.

Hon. A. McCallum: You say it is not a party House.

The ATTORNEY GENERAL: It is not a party House so far as certain members go.

Mr. Panton: That is just the position here, except so far as certain members are concerned.

The ATTORNEY GENERAL: I am informed that all the banks have definitely promised to reduce interest on overdrafts secured by mortgages for the current half year by one per cent.

Hon. A. McCallum: To whom has that promise been made?

The ATTORNEY GENERAL: To the public.

Hon. A. McCallum: Has that declaration been made public?

The ATTORNEY GENERAL: I understand it has been made public in Victoria and South Australia. The Premier's Department is in touch with the banks upon the subject.

Hon. A. McCallum: You have no doubt the banks are not covered by this Bill.

The ATTORNEY GENERAL: I understand they are not covered by it. It is inadvisable to impose a statutory reduction of 22½ per centum on the banks at the present juncture. I therefore ask the Committee to agree to the exemption. I promise that if the banks do not carry out their part of the bargain the necessary legislation will be brought down.

Hon. W. D. Johnson: You have not got a bargain. You cannot say what the bargain is you propose to enforce from the 1st October.

The ATTORNEY GENERAL: We are told that the banks have definitely agreed to reduce by one per centum their interest during the current half year.

Hon. W. D. Johnson: And that is the bargain you propose to enforce?

The ATTORNEY GENERAL: Yes. There is an argument going on between one bank and the other banks as to whether it would not be better in the interests of the whole community if the one per centum was an average and was not applied in general. I understand that one bank is pressing that it would be better to allow primary producers 1¼ or 1½ per centum less.

Hon. W. D. Johnson: That is very sound.

The ATTORNEY GENERAL: It is urged that that should be the basis.

Hon. A. McCallum: That will not give a 22½ per cent. reduction.

The ATTORNEY GENERAL: No, but it is a start.

Mr. Raphael: And the finish.

Mr. Hegney: The argument is immoral.

The ATTORNEY GENERAL: In the embarrassed state of our finances the Crown should not be compelled to make a 22½ per cent. cut. Our ability to make any cut must depend upon the rate at which we have borrowed money. In the case of money that is borrowed within Australia we would be able to pass on to the public any relief that we get from the loan conversion.

Hon. A. McCallum: Is it intended to pass on the relief in the case of moneys borrowed in Australia?

The ATTORNEY GENERAL: It would be waste of time if that were not so. We propose to pass on every penny we can. It was definitely recognised in connection with the balancing of Budgets that we could not take into account the whole of what was going to be saved on conversion, but it was agreed that a large portion of that would have to be handed on. That is the intention.

Hon. J. C. Willcock: About two millions, I think.

The ATTORNEY GENERAL: It works out at about that. I imagine that paragraph (b) will affect a very small sum of money.

Hon. J. C. Willcock: Suppose a municipality had borrowed £500 for the building of a hall! How would it fare under this paragraph?

The ATTORNEY GENERAL: I do not think it would get any reduction of interest. It depends on where the money was borrowed. If it was borrowed on debentures, I do not think they would come under the definition of mortgage.

Hon. A. McCallum: If the local authorities are not to get any relief, how will they reduce their rates.

The ATTORNEY GENERAL: It cuts both ways. I do not know that I am prepared to urge the retention of paragraph (b). Local authorities do not borrow on mortgage. There is one case in which the city of Perth, having sold a property, took a mortgage over it as security for the balance.

Hon. J. C. Willcock: Do not debentures in the case of local authorities come under this Bill?

The ATTORNEY GENERAL: No.

Hon. A. McCallum: Are any of the States giving relief to local authorities?

The ATTORNEY GENERAL: I do not know. Paragraph (b) was taken from the Victorian legislation. If members feel it should be left out, I am not going to press for its retention.

Mr. RAPHAEL: I cannot understand why the Attorney General has altered his mind in so short a time. The Associated Banks may have threatened the Premier of South Australia that he must exempt them from the rehabilitation scheme. What is behind the Attorney General's desire to leave these institutions free? They are prepared to reduce the interest they have to pay, but not the interest they are allowed to charge to others. If the matter is left to their discretion we know which way they will act. It is iniquitous for the Government to penalise private mortgagees and leave the banks out. Private individuals often depend entirely upon the interest they receive. The banks are parasites living on the people of this country. They have control of the monetary system and the sooner the States wake up to that fact and secure socialisation of banking the better will it be for all. Only a few months ago the banks raised their interest rates from 7 to 8 per cent. Now they are not prepared to reduce the interest to what it was six months ago. Has the Attorney General been intimidated by the Associated Banks—

The CHAIRMAN: The hon. member must not reflect on another hon. member.

Mr. RAPHAEL: I am not reflecting on him; I am only asking him a question. I hope the Attorney General will reconsider his decision and not agree to the amendment.

Hon. A. McCallum: It would be better if we discussed the paragraphs separ-

ately. So far as (a) is concerned, I see a difficulty in laying down a 22½ per cent. reduction. The Government are now getting a reduction only on money borrowed in Australia; on the money borrowed overseas they are getting no reduction. Some of it was secured cheaply. Am I interpreting the position of the Government correctly when I say that it is proposed to pass on to their clients the reduction that they get in proportion to the amount of Commonwealth borrowed money as to overseas money?

The Attorney General: That is the policy.

Hon. A. McCallum: There is a further point. It is very seldom that the Crown legislates against the Crown. That was the position when the Bill left this Chamber. Paragraph (b) deals with local governing bodies. A peculiar situation is going to arise now. On State and Commonwealth bonds the existing rates will be reduced 22½ per cent., and the bonds of the local authorities will not be interfered with. I know of some that are standing out now at 7 per cent. Where you can only get 4 per cent. for Commonwealth or State bonds, there will be 7 per cent. collectable for the bonds of local authorities. That surely will depreciate State and Commonwealth securities. No one will put his money into State or Commonwealth bonds at 4 per cent. if it is possible to get the stocks of local authorities at 6 or 7 per cent. There are such bodies as harbour trusts and water boards in the Eastern States, and even local authorities in our own State whose security is just as sound as that of the State, because the State could never allow one of its inferior bodies to default. Yet the interest of those local bodies is to remain untouched.

The Attorney General: I imagine very little has been borrowed outside of the Commonwealth Bank.

Hon. A. McCallum: Some has been borrowed from private individuals and from trustee companies. Take the city council of Sydney, which has a greater revenue than that of the whole of Western Australia. Sydney has resident within its territory three times the number of people that we have in the whole of our State. Yet the interest on their stock is to be untouched. We should not start exempting local authorities. The Premiers' Conference will find that they will have to take some action to deal with those bodies, that is, have their stock dealt with on lines somewhat similar to those applying to Government bonds. Then something would

have to be done so that the local bodies might pass it on to the ratepayers. Rate-payers have had their incomes and rents reduced, and yet they are paying the same rates and taxes.

Mr. Wells: If rents come down, municipal valuations will come down.

Hon. A. McCALLUM: But rates will go up. People have to meet their obligations. I intend to move at a later stage that paragraph (b) be struck out. Then afterwards we can discuss paragraph (c).

Hon. S. W. MUNSIE: Paragraph (a) reads—"Any mortgage given to or by the Crown, or to or by any State instrumentality." The Premier said, and the Attorney General reiterated, that the relief the Government gets from the reduction of interest they have to pay on money borrowed will be passed on so far as the Agricultural Bank is concerned. I believe that is the intention. The greater part of the Savings Bank money has been used by the Agricultural Bank. Can the Minister give us any idea what amount has been borrowed in advance through the Agricultural Bank, and what proportion of that money has been borrowed in Australia and what proportion overseas? The reason why I ask for the information is this: There is only one way by which the Government can give relief to their Agricultural Bank clients. They cannot say to the individual who was advanced money from loans raised in Australia, "We can reduce your interest 1 per cent.," and to the man who was advanced English money through the Agricultural Bank, "We cannot reduce your interest at all." I take it the Government will have to average the interest and give everybody the same reduction, if any reduction can be made. The Attorney General says the Government intend to pass on the reduction. Unless we know the proportion of money borrowed locally and abroad, we can form no idea of what reduction is possible.

The Attorney General: I understand the amount borrowed locally is rather less than one-half.

Hon. S. W. MUNSIE: I have no doubt that, if the exemption be made, there will be no reduction for the settler who has borrowed money through the Agricultural Bank. I believe the amount borrowed in Australia is a good deal less than half of the total borrowings.

The Minister for Lands: The interest rate is restricted to 6 per cent.

Hon. S. W. MUNSIE: If the proportions were 40 per cent. borrowed in Australia and 60 per cent. overseas, we would get a reduction of 22½ per cent. on only 40 per cent. of the money advanced. How much would the farmer get out of that? It should be mandatory for the Government to pass on the reduction to clients of the bank, who will expect a reduction and will be disappointed if this exemption be made. They should be informed that only about one-third of the benefit can possibly be given to them. The Attorney General said the banks had agreed to reduce interest 1 per cent. for the current half year. The only statement to that effect published here came from Mr. Davidson, of the Bank of New South Wales. The managers of other banks denied that they were making any reduction. It was said they wanted the right to make a reduction of half per cent. to 1 per cent., and some of them quibbled at that statement being made. Following on Mr. Davidson's statement, the chairman of the Associated Banks repudiated it on behalf of the other banks. I do not dispute the Attorney General's statement.

The Attorney General: I was informed to-day that it was the latest official decision.

Hon. S. W. MUNSIE: I am not prepared to support this exemption, even to the Agricultural Bank, until we have some definite assurance from the other banks.

Hon. A. McCALLUM: I move—

That the amendment be amended by striking out paragraph (b).

The ATTORNEY GENERAL: I offer no objection to the amendment, though on first consideration I thought the paragraph was probably included to meet certain conditions. I anticipate that local authorities will get the reduction. I am safe in saying that the bulk of the money borrowed by local authorities has been borrowed from institutions such as the Commonwealth Bank, the A.M.P. Society and, I believe, the Savings Bank. Consequently, local authorities have not to deal with a host of bondholders. A very small amount of local authorities' debentures has been sold over the counter.

Hon. A. McCallum: That is not so in the Eastern States.

The ATTORNEY GENERAL: No, but broadly speaking the bulk of the borrowings

here consists of large sums from financial institutions.

Hon. J. C. Willecock: In Geraldton a good lot of debentures have been sold.

The ATTORNEY GENERAL: But, taking Western Australia as a whole, the proportion would be small. Probably 75 per cent. of the money borrowed represents large sums obtained from financial institutions. I understand that already the Commonwealth Bank authorities have notified certain local authorities who have borrowed money that their interest rate is to be reduced. A member of a council has informed me that his local authority has received notification to that effect.

Mr. Kenneally: Is the reduction 1 per cent.?

The ATTORNEY GENERAL: I do not know what the reduction is.

Mr. Kenneally: Customers of the Commonwealth Bank were notified generally.

The ATTORNEY GENERAL: One per cent. might be more than could be allowed on debentures bearing a low rate of interest. One per cent. reduction on 4 per cent. debentures would be equal to a 25 per cent. reduction. However, I think the position will be met.

Amendment on amendment put and passed.

Hon. P. COLLIER: I am sorry that the Government did not have the amendment framed differently. I would have preferred to see it in the form of the South Australian proposal, namely, that the banks should be subject to the reduction, the same as everyone else, but that the Government might suspend the proclamation of that provision for a month. It must be admitted that the assurances so far given by the banks, judging by Press reports, are very unsatisfactory. Contradictory reports have been received from Melbourne and Sydney. One report states that the matter is being considered and that a reduction of half per cent. to 1 per cent will probably be made in October; another report says that a reduction will be made at the end of the half-yearly period. The Premiers' Conference clearly understood that the banks would fall into line almost immediately with other sections of the community affected by the legislation that is part of the Premiers' Plan. Now we are informed by the bank-

ing authorities that they might do something in October, but as to the extent to which they will go, we are not definitely informed.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. P. COLLIER: It will be a great weakness in the Bill if there is no power whatever to control the banks, since it has been generally laid down that all should come into the Plan and make similar sacrifices. I prefer the voluntary method if the banks will adopt it. The preferable course would be to leave them free to reduce rates of interest of their own volition. We have no assurance from the Associated Banks that they will do so.

The Minister for Lands: They have converted all their bonds.

Hon. P. COLLIER: That is another matter. In that respect they have fallen into line with everybody else. The conversion, moreover, is voluntary in name only; there is a big stick behind it. If one may read between the lines of statements made by representative bankers in the East, there is a difference of opinion between them. The chairman of the Associated Banks in Victoria has said that what those institutions contemplated doing would not necessarily apply to all banks or all States, because all the banks were not in the same situation; that it might be convenient for one bank to make a reduction earlier than would suit others. That question depends largely on the amount of fixed deposits. The Bill should contain power to compel the banks to take action if they do not do so of their own volition. I move an amendment which is not drafted in the form I should like, but rather in the negative, which is the best I can do in the circumstances—

That the following be added to paragraph (c) of the amendment:—"unless the Governor by proclamation may on or after the 1st October, 1931, declare that any such mortgage shall be subject to the provisions of this Act."

The amendment on the Council's amendment allows the banks considerable breathing space, especially as the Plan has operated on the rest of the community since the 10th July, more than a month. I would move my amendment in the form of a new clause, were it not that we are now able to deal only with the Council's amendments.

Hon. W. D. JOHNSON: The Attorney General must appreciate that this side views the Council's amendment most seriously. That amendment alters the whole aspect of the Bill. Any virtue that the Bill had was due to the fact that interest rates were to come down in like proportion to the reduction of salaries and wages. The Attorney General met us in that regard by making the application of the measure to mortgages automatic. This secured equality of sacrifice as regards the $22\frac{1}{2}$ per cent. reduction. The Council's amendment places no obligation whatever on the banks. It seems significant that the Premier telegraphs from the Loan Council, from the centre of operation of all banks trading in Western Australia, and says not one word as to what the banks propose to do. It is extraordinary that the Premier telegraphs in time to convey his support of this amendment of the Council without saying a word about the banks. The Premier should have given some guarantee that if we agree to exempt the banks from the operation of the measure, they in their turn will honour the undertaking given at the Premiers' Conference. That some such undertaking was given is proved by the fact that the Commonwealth Bank have honoured it. All the banks must have been parties to it, and should have observed it in the same way as the Commonwealth Bank. Farmers with Commonwealth Bank overdrafts secured by mortgage have already been notified that their interest rate is reduced to $5\frac{1}{2}$ per cent.; in other words, the $22\frac{1}{2}$ per cent. reduction has been honoured by the Commonwealth Bank. I ask agricultural members how they can support the Council's amendment as it stands. The great burden of the agriculturist to-day is the burden of interest. We have all been agitating for reduction of interest rates. What right have the representatives of the farmers to use their vote and influence to reduce the interest of others without extending that benefit to their own constituents? How can we exclude the banks from the operations of a measure of this description on the Attorney General's mere statement that he understands something will be done? I am prepared to accept the Minister's statement regarding his belief that the banks will act reasonably, but am I to understand that he will give this Chamber an undertaking that in the event of the Associated Banks not reducing the interest rate by $22\frac{1}{2}$ per

cent. as compared with the rate that operated on the 30th June, he will, if Parliament is in session, pass legislation to ensure that the $22\frac{1}{2}$ per cent. reduction of interest shall apply, particularly with regard to the farming community.

The Attorney General: No, not now, because I propose to accept the amendment moved by the Leader of the Opposition.

Hon. W. D. JOHNSON: If the amendment has the effect I indicate, it will be all right. I am glad the Attorney General realises that the banks should reduce their interest by $22\frac{1}{2}$ per cent. like every other mortgagee.

The ATTORNEY GENERAL: I do not want the member for Guildford-Midland to be under a misunderstanding. That is not what I have undertaken to agree to. The amendment does not say anything about $22\frac{1}{2}$ per cent., but merely gives the Government power to exclude the banks from this exemption on or after the 1st October. The amendment indicates trust on the part of the Leader of the Opposition that the Government will see to it that the banks do their job, and if they do not do so we, by governmental action, can bring them under the legislation.

Hon. W. D. Johnson: Then you accept that responsibility.

The ATTORNEY GENERAL: I do.

Hon. W. D. Johnson: If the reduction is not by $22\frac{1}{2}$ per cent., you will see that the reduction is reasonable.

The ATTORNEY GENERAL: We will see that it is reasonable and possible.

Hon. W. D. Johnson: If you are going to take that responsibility, I will see that you are kept up to it.

The ATTORNEY GENERAL: I accept that responsibility, because I have confidence in the Premier who has communicated with us stating that the banks have indicated a plan for the reduction of interest, which he considers is proper.

Hon. W. D. Johnson: You did not read the telegram to us.

The ATTORNEY GENERAL: Yes, I did.

Mr. Marshall: No, you told us of the telegram asking you to exclude the banks.

The ATTORNEY GENERAL: [I read the telegram word for word. It read, "Please ensure banks not included in emergency legislation as banks position has been met." As the Minister speaking on behalf of the

Government at the moment, I undertake the responsibility imposed upon us by the amendment. The only interpretation to be placed on the telegram is that the banks are now facing up to the position, and have put forward a proposition that is fair, just and reasonable.

Hon. A. McCALLUM: It must clearly be understood that it is part of the Premiers' Plan itself that the banks shall reduce interest charges. It is not a matter of a mere understanding. It is part of the Plan just the same as with the reduction of wages.

The Attorney General: I agree; it is.

Hon. A. McCALLUM: It is not a matter of endeavouring to cajole or persuade the banks to reduce interest; it was a decision of the Premiers, and represents a part of the Plan that must be observed. Notwithstanding that fact, no Government in any part of Australia is satisfied that the banks are living up to what was expected of them. A special sub-committee of the Premiers' Conference met the representatives of the banks and were told what they had agreed to do. What has happened? The banks by reducing interest rates on fixed deposits by one per cent. and then reducing interest charges on advances made by one per cent., do not sacrifice a penny piece.

The Attorney General: I think they do.

Hon. A. McCALLUM: The difference between the interest the banks pay on money a person lends them and the interest charged on money they lend, represents their profit. If the reductions of interest in both instances are the same, it does not mean the sacrifice of a penny piece on the part of the banks, who get their rake-off just the same.

The Attorney General: Surely the hon. member knows that the banks do not make their profits out of that part of the business.

Hon. A. McCALLUM: I know they do, and that they make substantial profits.

Mr. Hegney: Much of it is money at short call.

Hon. A. McCALLUM: Not all of it; some of the money represents long-dated deposits.

Mr. Angelo: But interest on long-dated deposits could not be reduced.

Hon. A. McCALLUM: Why not? Is not the interest on Commonwealth bonds reduced over periods extending to 30 years? As the Bill left this Chamber, the interest rates were reduced, but now the Legislative Council claim that bank interest shall not be interfered with. What is a reduction of one per cent.? One per cent. on seven per cent. does not mean anything like a reduction of 22½ per cent. When we consider the huge profits and the terrific margin of assets over liabilities that the banking institutions have built up during trying periods of the nation's history, we can only marvel that the banks represent the section that is now hanging back, unprepared to make a sacrifice. In 50 years, the Associated Banks, up to 1906, had amassed an excess of assets over liabilities of £6,863,000. Between 1906 and 1914 the excess assets increased by £584,000. From 1914 to 1919 their assets increased by £12,869,000. During the five years of the war they increased their assets by over £12,000,000, and since the war, from 1919 to 1930, their surplus assets increased by over £51,500,000.

Mr. Marshall: What poor unfortunate wretches they are!

Hon. A. McCALLUM: That shows what the banks have raked off from the people of Australia. Everyone else has to be compulsorily drawn into the Plan, but the banks are to receive this extra consideration. Every Government agreed that the interest rates should be reduced by 22½ per cent., equally with the reduction in wages. Why this faltering and hesitation regarding the banks' part in the scheme? What has happened since the Bill left this Chamber and went to the Council? The Attorney General was most emphatic when moving the second reading of the Bill that the banks should come into line. When the Bill was before another place, the Minister representing the Government there moved to amend the clause dealing with the banks. South Australia has brought the banks under the scope of the legislation there and so has Victoria, but in that State the provision regarding the banks has been left in abeyance until the proclamation has been issued. As soon as South Australia passed the necessary legislation, a statement was made by the Chairman of the Associated Banks in Melbourne in which he said the best thing the Premier of South Australia

could do would be to repeal that portion of his Bill relating to bank interest, and held out the threat that if he did not do so, he would jeopardise the success of the conversion loan. He said that if Governments dared to pass legislation controlling the operations of the banks and interfering with their profits, the banks would take the nation by the throat and would make the Governments' efforts in connection with the conversion loan a complete failure. Now we find the Parliament of Western Australia hesitating as to whether the banks should be left alone, and the Government moving in another place that they should be exempt from the Bill. Why should these people be exempt? They trade with other people's money, paying nothing for it, but getting tremendous profit from it. Parliament has every right to see that the Plan is put into operation in all details. It is true the amendment moved by the Leader of the Opposition takes us a good way, although it is not all we should like. Still the responsibility will be on the Government to act if the banks fail to come into line with the Plan. But as I say, the mere reduction of 1 per cent. in the rate of 7 per cent. will not satisfy me, for that is very different from reducing a man's wages by 4s. in the pound. The decision of the conference was that there should be equal sacrifice, and the Attorney General throughout the piece showed that he wanted a flat-rate reduction in bank interest. To be consistent, he must stick to that and insist on the banks coming down 22½ per cent., as in the case of wages and salaries. I am not at all satisfied that we should agree to the Council's amendment, even if amended in the way suggested by the Leader of the Opposition; but I suppose it is the best we can expect, although personally I should like to see the whole thing voted out, leaving the banks to carry the same obligation as the rest of the community.

Amendment on the Council's amendment put and passed.

Council's amendment, as amended, put and a division taken with the following result:—

Ayes	..	..	..	..	22
Noes	..	..	..	..	18
					—
Majority for	..	..	..	..	4
					—

AYES.	
Mr. Angelo	Mr. J. I. Mann
Mr. Barnard	Mr. McLarty
Mr. Brown	Mr. Parker
Mr. Davy	Mr. Patrick
Mr. Doney	Mr. Piesse
Mr. Ferguson	Mr. Sampson
Mr. Griffiths	Mr. Scaddan
Mr. Keenan	Mr. J. M. Smith
Mr. Latham	Mr. Thorn
Mr. Lindsay	Mr. Wells
Mr. H. W. Mann	Mr. North

(Teller.)

NOES.	
Mr. Collier	Mr. Munsie
Mr. Coverley	Mr. Fanton
Mr. Cunningham	Mr. Raphael
Mr. Hegney	Mr. Sleeman
Mr. Johnson	Mr. Troy
Mr. Kenneally	Mr. Wansbrough
Mr. Marshall	Mr. Willcock
Mr. McCallum	Mr. Withers
Mr. Millington	Mr. Wilson

(Teller.)

PAIRS.	
AYES.	NOES.
Sir James Mitchell	Mr. Walker
Mr. Teesdale	Miss Holman
Mr. J. H. Smith	Mr. Lutey

Question thus passed; the Council's amendment, as amended, agreed to.

No. 4. Clause 7, Subclause (3), line 2.—Delete "first" and insert "tenth."

No. 5. Clause 8.—Insert "if" after "allowance," in line 38.

No. 6. Clause 8, Subclause (3).—Delete "ninth" and insert "tenth," in line 8.

No. 7. Clause 9, Subclause (3).—Delete "first" and insert "tenth," in line 33.

On motions by the Attorney General the foregoing amendments were agreed to.

No. 8. Clause 12.—Delete all words after "service," in line 6, page 11, down to end of clause.

The ATTORNEY GENERAL: This amendment is due, I think, to a mistake made in this Committee. The member for East Perth moved the addition of a proviso to Clause 12. I told him I would accept the amendment down to the word "service," but not the rest of it, which was to the effect that the wages of a man employed in one of these institutions should not be reduced below the amount to which it would be reducible if he were a member of the Public Service. The amendment also provided that without the previous sanction of the Arbitration Court no reduction should be made which was at variance with an industrial award. That same principle was sought to be imported into a number of clauses. In every other instance it was rejected, and I intended it to

be rejected in this instance also, but somehow it was left in.

Hon. A. McCALLUM: I do not think there was any error about it at all. The amendment was a very deliberate one. It meant that the employees of institutions such as hospitals which enjoy a subsidy from the Government, instead of being automatically decreased should take a ruling from the Arbitration Court. It was clearly understood on this side of the House what the amendment covered. Under the Council's amendment all the employees of those institutions will be reduced the same as Government employees, and without the right of appeal to the Arbitration Court. If the Attorney General has his way the reductions will be automatically applied. Under the Plan this was never intended. In a number of ways the Government are interpreting the Plan differently from all other Governments. Why should the Government want to override all courts and tribunals and not give these employees the right to appeal to any tribunal? All these hospital employees have their industrial awards and agreements. Our amendment was deliberately designed to give those people the right to go to their tribunal. It may be that the Government subsidy is a very small part of the income of some of these institutions, notwithstanding which this means that if there is any Government subsidy at all the wages staff will have to come down automatically. The Government are going beyond the realms of what was intended by the conference. I hope the Committee will insist upon their previous decision being upheld.

Mr. KENNEALLY: The Bill as introduced made it possible for the employers automatically to reduce the wages of employees. The Committee deliberately decided it was better to compel employees to go to the court before effecting these reductions, and the Government accepted the amendment. Then we had to deal with workers who were employed by semi-Government bodies. The Attorney General admitted it was reasonable to compel employers in that case also to go before the court before reducing wages. We are now told our amendment got through owing to a misunderstanding, whereas the Committee agreed to the alteration.

The ATTORNEY GENERAL: The hon. member is quite right. I did eventually

agree to accept the amendment. I will therefore move—

That the amendment be not agreed to.

Mr. Sleeman: I understand the position is that we decline to make the amendment which means there will probably be a conference.

The ATTORNEY GENERAL: I do not think so.

Hon. S. W. MUNSIE: I am glad the Attorney General is opposing the Council's amendment. I would draw attention to the Fire Brigades' Board, to which the Government contribute a small percentage of money each year. If the amendment were agreed to merely because the Government are subscribing a percentage of the board's revenue, the employees would be reduced automatically. As a fact, they have already been reduced as Government servants.

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

No. 9. Clause 16—Delete "hereinafter" and insert "hereinbefore" in lines 41 and 42.

The ATTORNEY GENERAL: This is merely a matter of verbiage.

Hon. P. Collier: They never miss correcting us as to a word or two.

The ATTORNEY GENERAL: The Parliamentary Draftsman is constantly watching these things and correcting some small error that has passed unnoticed. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 10. Clause 16, Subclause (5).—Delete the words "whether of his own knowledge or otherwise howsoever" in lines 11 and 12.

The ATTORNEY GENERAL: This is an amendment which should have been made here, because I accepted the suggestion of the member for South Fremantle. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 11. Clause 17, Subclause (3).—Delete "court" and insert "Commissioner" in line 43.

The ATTORNEY GENERAL: This is a consequential amendment. The alteration was missed at the time. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 12. Clause 19.—Delete "to all" and insert "only to" in line 5.

The ATTORNEY GENERAL: We might also agree to this. When the Parliamentary Draftsman is zealous enough to request such alterations as these, we should encourage his zeal. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 13. Clause 19.—Insert at the end of the clause the following words:—"and shall have effect notwithstanding any agreement to the contrary heretofore or hereafter made or entered into."

The ATTORNEY GENERAL: This is to make sure that no clause in an existing mortgage shall have the effect of contracting the parties out. After the war-time moratorium regulations were framed it became the practice to insert in documents a clause which would prevent the operation of any existing reduction regulation or law, and, in some, such a clause may still exist. A clause cutting out the operations of this measure has been inserted by careful lawyers acting on behalf of a certain type of mortgagee in mortgages which have been made since the threat of this Bill becoming law was known. This amendment is designed to render nugatory any attempt to avoid the operations of that portion of the legislation. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 14. Clause 21, Subclause (1). Insert after "rate" in line 16 the words "or respective rates."

The ATTORNEY GENERAL: The intention is to meet the position of the two rates of interest which appear in the average mortgage, namely, the penal rate and the accepted rate. The amendment is purely a matter of verbiage. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 15. Clause 21. Delete Subclause (5).

The ATTORNEY GENERAL: This has been deleted because it is inserted elsewhere. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 16. Clause 22. Delete Subclause (1) and insert the following in lieu thereof:—

(1) The obligation of any mortgagor to pay interest, accruing or to accrue due and payable during the operation of this part of this Act, at any higher rate than that allowed by or under this Act is hereby extinguished:

Provided that for the purpose of this part of this Act, interest shall be deemed to accrue due and payable from day to day.

The ATTORNEY GENERAL: This is an alteration by the Parliamentary Draftsman. It was suggested with some force that if Subclause 1 stood it might be argued that the reduction would apply only if no payment was made. If a man did not pay what he owed it might be argued that the debt could be discharged.

Hon. A. McCallum: He could better owe the money than pay it.

The ATTORNEY GENERAL: It is not the payment that will be a condition of the reduction, but the act itself shall be a condition of such reduction. The amendment will make that clear. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 17. Clause 22. Delete Subclause (3).

The ATTORNEY GENERAL: This becomes unnecessary in view of the new Subclause 1. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 18. Clause 22, Subclause (5). Delete all words after "thereafter," in line 31, down to and inclusive of the word "continue," in line 33.

The ATTORNEY GENERAL: These words are struck out because they do not mean anything. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 19. Clause 22, Subclause (7). Add at the end the following words: "and shall continue in force during the operation of this Act, or for such shorter period as may be specified in the order."

The ATTORNEY GENERAL: This is to get rid of a doubt. It looked as if the operations of an order under the Act might continue after the termination of the Act. Suppose a mortgage had three or four years to run when the Act ceased to operate. With the clause as it was worded, it might continue to have effect until the termination of the mortgage, but that was not intended.

Hon. A. McCallum: Suppose an order is made for a short period?

The ATTORNEY GENERAL: This is only an exemption order. It excuses only the mortgagee. If a short order were made it might have to go back to the court. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 20. The Schedule. Add to Part II. of the Schedule a paragraph, as follows:—

Where the salary of an officer is calculated at a daily rate on the basis of one hundred and twelve working hours per fortnight (of fourteen days) the amount of such daily rate shall be multiplied by three hundred and sixty-five, and the result shall be deemed to be the annual salary.

The ATTORNEY GENERAL: It is pointed out departmentally that there are certain officers whose wages are calculated on a daily rate and who work really 14 days a fortnight. A new form for the calculation of their salaries will be necessary, and the amendment is designed to meet the position. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

Resolutions reported, the report adopted, and a committee consisting of Hon. P. Collier, Hon. A. McCallum, and the Attorney General appointed to draw up reasons for disagreeing with amendments Nos. 3 and 8.

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

BILL—REDUCTION OF RENTS.

Second Reading.

Debate resumed from the previous day.

HON. J. C. WILLCOCK (Geraldton) [8.47]: I welcome the principle contained in the Bill insofar as it is part of the Plan. No doubt it is the same principle as applies to interest on investments. Under the legislation to give effect to the Plan, interest on bonds and on mortgages has been reduced by 22½ per cent., and rent should also be included in the common sacrifice. This Bill does not go the whole way. It will apply to only a limited extent. The Attorney General should agree to accept amendments to make the principle of reducing rent applicable to everybody who receives rent, just as those people who receive income from bonds or mortgages have to suffer a reduction. How can it be seriously contended that a man who receives income from rent should have it reduced to only a limited extent? Frequent statements have been made about equality of sacrifice, and rents should be included. Why include only people who receive rents from leases of over a month's duration? I do not suppose that 15 or 20 per cent. of the people receiving rent would come under the provisions of the measure. If we are to have equality of sacrifice about which we have heard so much, and which is generally accepted as the policy of Australia, we cannot give effect to it without applying it to income from every source. The Prime Minister, in launching the conversion loan campaign, according to this morning's Press, stated—

When the tide turned in Australia's economic life, there were many who thought to escape the consequences. It was not long, however, before it was driven home to all Australians that disaster loomed.

It will be brought home to the holders of bonds and receivers of mortgage interest that the Government intend to depart from the Plan and that those who receive income from rent will not be required to share the common sacrifice. The Prime Minister continued—

That Governments met and discussed the position, and the only sensible thing to do was to evolve some plan under which the sacrifice that was necessary to enable the country to pull through would be distributed.

That was the basis of the new Plan. Everyone was called upon to accept less income than formerly.

We have discussed reductions of almost every possible source of income—wages, salaries, in fact every kind of earning, including interest from bonds and mortgages. Yet we have this proposal specifically excluding probably 70 to 80 per cent. of the people who receive income from rent. I do not know how that proposal can be accepted in view of the Prime Minister's statements and the general policy enunciated by the Premiers that all were to share the burden. In the advertisement for the national debt conversion loan the following statement appears—

Ministers agree (our Ministers must be included) that the restoration of financial stability can only be achieved by sacrifice shared by all sections.

The words "shared by all sections" appear in heavy type. In Committee I shall move an amendment to provide that all persons in receipt of rent shall share in the common sacrifice, as was intended when the Plan was agreed upon. I cannot see any justification for not agreeing to it, seeing that the Government resisted amendments relating to income from wages and salaries. The man with investments in long or short-term loans has to suffer a reduction of interest over the whole period. The Plan contains two distinct principles. In the first instance I believe the idea was to arrange the public finance of Australia so that Budgets would be balanced, but there was an underlying principle as important as, if not more important than the balancing of Budgets, namely, to reduce the cost of production so that we would be in a better position to continue our economic life under the greatly reduced income available to us. The national income, as we have been frequently informed, has dropped from £650,000,000 to £450,000,000. I interjected when the Attorney General was speaking that a wiser proposal would have been for the Commonwealth to impose a special tax on income from all sources. The Attorney General does not agree with that view. He thinks it better to lower costs, so that production might be stimulated and the country thus helped out of its difficulties. It was agreed in the last hour of the Premiers' Conference that conversion to a

lower rate of interest should be voluntary, and the taxation proposals at first suggested had to be jettisoned. It would have been simpler to carry out the proposals by means of special taxation. Then, when Australia's position improved, that taxation could have been reduced or removed, according to the needs of the times. There is a provision in each of the other emergency Bills that is not included in this measure. Under the previous legislation reductions of income are to be based on the amount as at the 30th June, 1930. When the President of the Arbitration Court delivered his declaration for the reduction of the basic wage in March last, he said that dwelling house rents in the metropolitan area had been reduced by 2s. in the pound. If any of those rents were subject to leases, it is manifestly unfair that, after having been reduced 2s. in the pound, we should pass additional legislation to reduce the rents at the moment by 22½ per cent. The landlords who have recognised their duty by reducing their rents should be given allowance for it.

The Chief Secretary: What date do you suggest.

Hon. J. C. WILLCOCK: The same date as was contained in the Financial Emergency Bill, the 30th June, 1930.

The Chief Secretary: You said the President stated rents had been reduced before that.

Hon. J. C. WILLCOCK: No, in March last he said rents had been reduced by 2s. in the pound since the 30th June of last year. On that he justified, to some extent, his reduction of the basic wage. The people who have reduced their rents should not be penalised inordinately or to a greater extent than people who have not given consideration to their lessees during the last 14 months. When speaking on the Financial Emergency Bill, I pointed out that the second portion of the Plan, which deals with reduced cost of production to enable us to compete with other countries of the world, would be made effective by a reduction of rents, inasmuch as on the cost of rent is based the cost of living, and on the cost of living is based the wages which affect the cost of production in this State. If the Bill is to apply to dwelling houses, as I hope it will, and the rents of dwellings are reduced as a result of the measure to the extent of another 2s. 6d. in the pound, this will take off another 2s. 6d. from the pro-

duction costs in Western Australia. This will amount to over half a million pounds as a deduction from production costs, without affecting the workers to any extent. The worker will receive a reduction in wages, but, if rents are also reduced, he will not be any worse off in the aggregate. The wealth production costs of the country, which are dependent on the basic wage, will receive the benefit of about half a million pounds. The wages bill of the Railway Department will be affected to the extent of about £65,000 annually. That is a tremendous consideration to the Treasury in these times, when in all probability the railways will finish up with a deficit of £200,000 or £300,000. These aspects of the Bill should be given serious consideration. The cost of production is also affected by rentals, inasmuch as factories, retail businesses and other undertakings have to be charged with the rents that are paid. If rentals come down, there should be a reduction in prices. In these times people are selling almost down to bedrock. If they get a margin of profit at all they are fortunate. If people can cut prices any lower as a result of a reduction in rentals, this will have an effect on the cost of living, and will be reflected in the basic wage to the benefit of the economic life of the State. In Committee I propose to endeavour to alter the term "leases" so that the Bill will cover leases of any kind no matter for what duration. I saw the Parliamentary draftsman to-day in regard to an amendment which would have the effect of fixing the rent that is charged, irrespective of when the lease runs out. Another imperfection of the Bill is that if a lease is in existence and expires, say, three weeks after the proclamation of the Act, the landlord will have to reduce the rent by 22½ per cent., but there is nothing to prevent him from putting the rent up again to the former or even a higher level when the Act ceases to operate.

The Minister for Railways: There is a good deal to prevent it nowadays.

Hon. J. C. WILLCOCK: Apparently the landlord will be prevented from putting it up for the time being, but there is nothing to prevent the rent from going up afterwards.

The Minister for Railways: The landlord will be governed by his lease.

Hon. J. C. WILLCOCK: He could give consideration to his tenant if he desired.

Many applications have been made to landlords for a reduction in rent, but they have stood hard and fast by their leases. That being so, what is to prevent them, say, three weeks after the Act ceases to operate, going back to the old rental?

The Attorney General: They will not have any lease then.

Hon. J. C. WILLCOCK: The rentpayer will be on the premises. If he is running a business he will have his plant there and will have built up his goodwill, and he will certainly not want to move elsewhere. The landlord, however, may say that the tenant will be obliged to pay the old rental or get out.

Mr. Kenneally: And perhaps make up all leeway.

Hon. J. C. WILLCOCK: I do not think a landlord would go as far as that.

The Chief Secretary: How will that apply to private residences?

Hon. J. C. WILLCOCK: The Bill does not affect them to any extent. Very few private residences are covered by leases of more than one month; indeed, 90 per cent. can be said to be on weekly tenancies, in which case they will not come under the Bill. If weekly tenancies are brought under the Bill, the rents will have to be reduced. Very often a furnished house is taken on a six months' lease. If the Act is proclaimed, these rentals will have to come down 22½ per cent. Afterwards, however, there is nothing in the Bill to affect rents. I do not expect the measure to go to the length of the loan conversion system, which fixes the rate of interest for 30 years, but I do think that rents should be fixed for the term of the Act. No one expects we shall attain full prosperity within another 16 months, though we hope things will have improved during that time. I propose to move an amendment stating that the rent which is now charged, or the rent which was charged on the 30th June last year that will be subject to a reduction of 22½ per cent., shall be the rent for the remainder of the period, and shall not be increased without the leave of the commissioner. If there are circumstances about a lease which necessitate some consideration being given to the landlord, no doubt the commissioner would give such consideration and relief as might be requisite. Everyone must agree that during the next 18 months at least there should be no question of any serious increase by way of ren-

tal. We must get our noses on to the grindstone and cut down production costs in every way if we are to get through the present critical period. It would not be unjust, when we are asking for an equality of sacrifice, to say that for at least 16 months there shall be no increase in rents except under special circumstances to be decided by the commissioner. If the Bill is amended in these directions, it will fall into line with other legislation we have passed. If the amendments are not agreed to, we shall be selecting a favoured section of the community, who own dwelling houses and business premises which are let only from week to week, and will be detrimentally affecting other sections of the community. In Hay-street there are business premises which are let only from week to week. One would think that both landlord and tenant would desire a lease, especially the latter because of the goodwill he is building up, but as the Bill now stands the weekly tenant will get no redress. I want to be just to the landlord as well as to the tenant. A man who has considered his tenant should not at this stage be made to bring down his rental by a further 22½ per cent. I own a house, and in response to the appeal of my tenant I reduced the rent some time ago. Because I have been considerate to him, I should not be asked to suffer a further reduction of 22½ per cent. in my rental. Other landlords should receive the same consideration. I hope in Committee the amendments I have outlined will receive consideration at the hands of the Government.

MR. SAMPSON (Swan) [9.12]: If lessors have made reductions in their charges in the immediate past they should be considered under this Bill. There is another phase to which the attention of the Government might be directed, namely, in connection with the metropolitan markets. The rentals which have been charged to tenants on leases have not been reduced. I am advised that in every other case where there is no lease, reductions have been made. I suggest to the Minister in charge of the Bill that the principle contained in the measure should apply to the Crown. Excessive rents are being charged at the metropolitan markets, as a result of which the producers have to pay higher commission charges. The auctioneers and the packers suffer because of the exceedingly high rents

under their leases, and I certainly think those leases should be amended. It is unfair that because the Government happen to be the owners of the metropolitan markets, those who occupy the premises should receive no consideration. The objection I have urged is one that I regard as fair, reasonable and proper; and I trust the Government will give it consideration and thereby remove a general objection on the part of occupants of the metropolitan markets that they are being treated with lack of consideration.

MR. SLEEMAN (Fremantle) [9.16]: The measure will help only a favoured few; 98 per cent. of the tenants who should receive consideration will not come under the Bill at all. Unless a tenant has a monthly tenancy, the Bill will not assist him. The working man, renting his home from week to week, is more deserving of relief. In the case of numerous premises held on monthly terms, the business men who occupy them are undoubtedly suffering hardship; but their hardship is nothing as compared with that of tenants renting private houses from week to week. The Act designed to give relief to tenants is proving itself a huge farce. A certain degree of relief has resulted to tenants of small properties; but my experience of the courts is that a tenant who is able to show reasonable grounds for relief gets three months' exemption, and thereafter may get another few weeks. It generally works out, however, that after the second term of exemption from rent the Commissioner, Mr. Moseley, decides that he is unable to grant further relief. Thereupon the tenants concerned are likely to be thrown out of their homes. I consider that the Commissioner should be empowered to reduce extortionate rents. It has been stated here that rents have come down considerably within the last few months; but the rents paid by people on part-time employment or out of employment have not come down at all. Most landlords believe that their tenants are unable to pay rent, and therefore they offer them no relief. The landlords say they are taking a chance on getting their money, and therefore they keep the rents up. I believe tenants are trying to do their best to get along and pay rent, but numerous tenants are unable to pay anything. } A fair and

reasonable measure of relief would do something to provide homes for people who are unable to secure them.

The Minister for Railways: We should have to give them a bonus.

Mr. SLEEMAN: The Minister should find these people the wherewithal to pay rent, or else provide them with homes. There is nothing exceptional in asking the Government to see that the people are housed properly. During the last few weeks many people have been evicted from their homes. The Minister went into the question of granting an extra day to sustenance workers to enable them to pay rent, but nothing at all came of that. The Minister decided that he could do nothing in the matter. and there the thing ended.

The Minister for Railways: No, it did not.

Mr. SLEEMAN: It did so far as regards the tenants with whom I come in contact. They approach me constantly to know whether anything can be done. People at the Port are not getting any more relief now than before they went to the Minister. While I admit that the hon. gentleman has a fairly big job to do, I consider that he should accomplish something in this direction. We cannot allow people to be simply evicted. Either homes must be found for them, or the wherewithal to pay rent. I understand that the war service homes authorities have treated their clients fairly. I do not know whether I am exactly right, but I believe that in cases of hardship they are accepting merely the payment of interest on the capital invested. Something should be done for the poor wretches who are struggling along, trying to pay rent. I admit that in some cases hardship is inflicted on the landlord. Indeed, I know of landlords who are as hard up against it as their tenants are. However, such cases are exceptional. Landlords in that position must be assisted in the same way as tenants. This is purely a Committee Bill, and I hope that in Committee something will be done to provide for those members of the community who are anxious to pay rent but are unable to do so. The previous Minister for Justice brought down a Fair Rents Bill; and when the Attorney General promised a Bill to deal with rents, I hoped that it would be on somewhat similar lines, if not quite so good as the measure of the previous Minister for Justice. With few exceptions, the workers of this country will not derive the least

benefit from this Bill as it stands. It should be amended in Committee as I have suggested.

MR. MARSHALL (Murchison) [9.23]: I cannot cast a silent vote on this measure. At the outset let me express my surprise at the mean, curtailed nature of the Bill. I did expect a little when the Attorney General said he would introduce legislation governing rents. I did hope that something would be done to relieve the unfortunate people who have to rent homes. After listening attentively to the Attorney General, who has fathered the bulk of the legislation which is the outcome of the Premiers' Conference, one might have expected that this Bill would render full justice all round. However, we find that just as the Attorney General attempted to excuse the banks from contributing to the national sacrifice, so he attempts here to permit the great majority of landlords to evade their responsibility to contribute to that sacrifice. While the Attorney General is prepared to reduce the working masses of the State to a standard 20 per cent. below that of the basic wage awarded by the Arbitration Court, he proposes to afford them no relief in the matter of rents. Rent figures as one of the greatest burdens on the distribution of commodities. Particularly does that remark apply to city rents. The Attorney General contends that it is quite sufficient to attack a few long leases, probably of warehouses or business premises within the metropolitan area. I wish to ask the hon. gentleman where in the Bill is to be found the argument that he advanced in connection with other Bills, to the effect that the whole object of the Premiers' Conference was to make one big slide-down? Here the Attorney General has tried to make one big section slide-up. Hon. members opposite believe that money and its power are sacred, and should never be attacked. That was proved earlier in the sitting. Rents are just as much a factor to be considered in connection with the national sacrifice as are rates of interest, rates of pay, and all other charges on the community. However, rents are to be excluded except in the case of a specially considered few. The Government of the day think that sufficient. They consider that we should be satisfied with a Bill that permits a few long leases—I do not know how many will be covered—to be controlled. The Bill does not attempt to

touch rents in the true sense of the word. The measure is an absolute camouflage. Hardly a worker in this State paying rent will be benefited by the Bill. One speaker has contended that 80 per cent. of the workers are on weekly tenure. I would put the figure at 99 per cent. Not one worker in a hundred has any arrangement except that of a weekly rental. They will all be excluded from the operation of the measure. They do not come into the general slide-down enunciated by the Attorney General when attacking their wages. Then it was said that all were to make sacrifices. During the discussion of the measure in question we on this side were satisfied because the Attorney General interjected that he would bring down a Bill to control rents. Here it is. It makes one feel disgusted to see the camouflage of a measure merely affecting a few long leases of big premises. If such a lease expires within a few weeks, it can be renewed at an increased rental. If under the measure the rental is reduced by 22½ per cent., upon the expiry of the lease in a few weeks' time there can be an increase of 50 per cent. The Attorney General advances the argument that this is not possible because the tendency is for rents to fall. In reply let me argue that those who will be affected by the measure are people who have affected by the measure are people who have built up businesses in certain premises, old-established firms probably. Even if they are not old-established, they have got into certain geographical positions in this city or some other city, and have built up good businesses in premises held under lease. They might just as well go out of business as leave those premises. The landlord knows that equally well, and he would be foolish indeed if he did not take advantage of the fact. To judge by the appetite of the landlord in raking off large premiums in the form of ingoing, I have no doubt he will take full advantage of the position. The more one analyses the Bill, the more useless it appears. The Attorney General, when introducing the Bill, did not even tell us how many buildings it would control.

Hon. P. Collier: About 75.

Mr. MARSHALL: I think that estimate is too high by 70. The true figure would be about five. The hon. member now sitting alongside the Attorney General might state how many houses he owns and what rents he is getting for them. Probably he is

grateful for this Bill. It does not attack him. The hon. member argues that rents at the metropolitan markets should be reduced. I suggest to him that he reduce the rents of the properties he lets. With one exception, all the Plan legislation has been made retrospective. This Bill is the exception. Landlords are to be allowed to continue until the measure is proclaimed, and then merely a very small number of them will be affected. The unfortunate wretch who finds it difficult to rear his family in the trying circumstances of to-day is to have no relief. The banking institutions are to have relief, and are not to be touched. The banks dictate to Governments and decree that their interest must not be affected. Thousands of little children may be ill-fed, ill-clad, and ill-housed, but they get no consideration. The moneyed section embody those who must not be touched. Where is this cry that we hear about a general slide-down of everything? Here is where the landlords slide out. I understood the Attorney General to say that everything was to be strictly adhered to in accordance with the Premiers' Plan, without which the scheme would be useless. The Government have no compunction in departing from a plan when it suits them, but it is always in the interests of one section of the community. One is justified in losing one's temper in dealing with a Bill such as this, which is not worth while.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Richardson in the Chair; the Attorney General in charge of the Bill.

Clause 1—Short Title and commencement.

Mr. MARSHALL: I move an amendment—

That in line 1, the word "rents" be struck out.

This is not a Bill to reduce rents. It is a farce to contend it is anything of the sort; it does not approach the question. It will merely affect a few leases and rents paid by some city firms. It is nothing but hypocrisy to suggest it will reduce rents. I would like to hear from the Attorney General as to how many people will benefit and what amount of money will be involved.

The CHAIRMAN: Does the hon. member propose to insert another word in place of "rents"?

Mr. MARSHALL: No.

The CHAIRMAN: The I cannot accept the amendment.

Mr. MARSHALL: I want your reasons.

The CHAIRMAN: I shall give no reason; I will not accept the amendment.

Dissent from Chairman's Ruling.

Mr. Marshall: I move—

That the Committee dissent from the Chairman's ruling.

Mr. Speaker resumed the Chair.

The Chairman reported the dissent.

Mr. Speaker: I draw the attention of the member for Murchison to the fact that if the amendment were accepted, it would mean that the title of the Bill would not read sensibly. It would read "Reduction of Act."

Mr. Marshall: The Bill is merely nonsense.

Mr. Speaker: I uphold the Chairman's ruling.

Committee resumed.

Clause put and passed.

Mr. SLEEMAN: I wish to move an amendment by inserting a new clause, which I think should appear as Clause 2, the effect of which will be that the Act shall come into operation on a date to be fixed by proclamation and to make it retrospective.

The CHAIRMAN: The hon. member will have an opportunity to move accordingly after we have dealt with the clauses in the Bill.

Clause 2—Interpretation:

Hon. J. C. WILLCOCK: I move an amendment—

That in line 3 of the interpretation of "lease" all the words after "lessor" be struck out.

I want the term "lease" to include all rents and not to be limited, as suggested in the Bill, to those extending for any term or period not determinable at the will of the lessor by less than one month's notice. I thought the Attorney General, in replying to the debate, would have dealt with this phase, but perhaps he de-

sires to discuss it in Committee. The Bill should apply to all leases, whether the term is for a week, a month or a year. The wording of the definition of lease will exclude the great majority of rents paid, and we should not limit the application of the measure. There should be equality of sacrifice by all landlords. If rents are reduced, that will affect the cost of labour and of production.

The ATTORNEY GENERAL: The question of rents was referred to at the Premiers' Conference and the position will be clearly seen if members turn to page 28 of the report, where they will find the following:—

Mr. Theodore: I understood Professor Giblin to say that the matter of rents was not taken into account at all. Personally I think it is a very big item.

Prof. Giblin: Ordinary rents are adjustable. We would have taken long-term leases into account if we could have got the information.

Mr. Theodore: Then we should still be leaving one debtor class up in the air without any relief.

Mr. Davy: The matter of rents is largely adjusting itself automatically.

Mr. Theodore: At the termination of leases.

Mr. Davy: Reductions of rent, even in the case of long-term leases, have been most marked in Perth.

It was clear in the minds of those attending the conference that, insofar as there was to be any interference with leases, it was to be merely with long-term leases, fixed rents that had not been allowed to come down with the general trend. I have never pretended that we should introduce a measure to do other than break existing contracts so as to allow rents to come down in conformity with the market fall of rents. Already there has been a substantial fall in house rents, to which the member for Geraldton has referred, and those rents will continue to fall while the present difficult situation confronts us.

Hon. J. C. Willcock: Not in all instances.

The ATTORNEY GENERAL: We are not supposed to deal with individual instances in measures such as that before the Committee, but we endeavour to deal with the question along broad lines.

Hon. J. C. Willcock: Yes, on the broad lines of equality of sacrifice by everyone.

The ATTORNEY GENERAL: Considered generally, house rents are falling automatically, and that was recognised inasmuch as the suggestion by Mr. Theodore was that conference should take into consideration

legislation to see that rents were not kept up by contract when they would have gone down had the contract not existed. In the same way, when we were dealing with interest we were desirous that where interest is held up by a little contract, a current mortgage, it was permissible that it should be forced down by legislation. The first idea of the conference was that it would not be necessary to deal with contracts providing for payment of interest, except in the case of mortgages which were not yet due. It was pointed out that owing to the difficulty of getting money even the demand mortgagor would be in the same position as if it were not on demand. It was shown that since the unfortunate mortgagor could not go and get other money at the reduced market rate which we hoped to achieve by the conversion loan and overdraft mortgage interest, he was no better off on demand. But in respect of rents there is no difficulty whatever, if a man can pay any rent at all, in going off and getting other premises at a substantially lower rent.

Hon. J. C. Willcock: There are not many such instances.

The ATTORNEY GENERAL: Why there are houses empty everywhere. I am not prepared to accept any amendment extending this to weekly rentals. To accept the amendment would be of no value whatever to the tenants of such houses unless we had also in the Act machinery to prevent the rents being pushed up again.

Hon. J. C. Willcock: But we statutorily keep down interest on bonds.

The ATTORNEY GENERAL: I do not see the analogy. In the case of bonds there is a fixed contract, but here we are dealing with a case where there is no fixed contract, except for a very short period of time. I anticipated that this measure would be thought by members of the Opposition to go not far enough. We know their opinions on rent.

Hon. J. C. Willcock: That is why we are a bit sceptical about your views on rent.

The ATTORNEY GENERAL: Fair rent measures only accentuate the evil they purport to cure. The hon. member's own measure proposed to ensure to the landlord eight per cent. on his capital. Every landlord in the city would jump at such a proposal. But such rent-fixing measures are economically ineffective, do not do

what they aim to do, but on the contrary enhance the evil they purport to cure.

Hon. J. C. Willcock: This Bill is not what you promised the week before last.

The ATTORNEY GENERAL: My promise was to deal with rent in the same manner as I had dealt with interest.

Mr. Kenneally: You are dealing with only a limited number here.

The ATTORNEY GENERAL: Just as we dealt with only a limited class of interest on mortgage, namely, on existing contracts. If the result of this Plan does not cause the market rate of interest to keep down, we are not trying to prevent it from going up again.

Hon. J. C. Willcock: Your measure is very ineffective in point of bonds, which are the real thing in regard to interest.

The CHAIRMAN: All this is entirely irrelevant to the question before the Chair.

The ATTORNEY GENERAL: Except for a period of one or two weeks the amendment would be quite ineffective. To have an effective reduction of rents, we would require a most complicated piece of machinery. I cannot accept the amendment.

Mr. SLEEMAN: The legislation we were considering when the Minister promised to deal with rents was all-embracing, but now that we come to rents the measure before us is by no means all-embracing. It makes no attempt at equality of sacrifice. The people most desirous of having rents reduced cannot dictate; only very few of them can change their premises as the Attorney General suggests. At the conference the Attorney General said that reductions of rent, even in cases of long-term leases, had been most marked in Perth. If so, they are not most marked in Fremantle. The part-time worker and the unemployed man battling against odds to pay their rent are not in a position to change premises, for no landlord will accept as tenant a part-time worker. How then can those men get into other premises? The most unfortunate section of the community are being left high and dry, while the Bill provides for a favoured few. Of all the emergency legislation, this is the most unreasonable Bill the Attorney General has brought down. He seems to be going from bad to worse, but I still hope he will agree that every section of the community must share alike in the sacrifices to be made.

Mr. MARSHALL: I will support the amendment. The Attorney General is very unsophisticated. He argued that in these times rents would gradually decline. The competition that once prevailed does not prevail to-day. All forms of trade are organised so that prices can be fixed, and rents are no exception. Rents have scarcely been reduced in the last 12 months and, moreover, when a man wishes to rent a home, he has to produce satisfactory credentials. Does not the Attorney General know of that?

The Attorney General: That is not unnatural, is it?

Mr. MARSHALL: But the prospective tenant has now to satisfy the landlord on points that were not raised years ago.

The Attorney General: The only credential you have to produce in these days is some sort of evidence that you can pay the rent.

Mr. MARSHALL: If the Minister made inquiries in the northern part of his own district, he would learn that anyone had to be fairly well recommended before he could obtain the key of a house. A friend of mine living in Newcastle-street had been paying 27s. 6d. a week for a good many years for a little crib. When his wages were reduced he asked the landlord for a reduction of rent and, after negotiating for a fortnight, the landlord agreed to a reduction of 1s., although there were plenty of other houses in the neighbourhood vacant. Rather than lower the rent further, the landlord would lose the tenant and close the house.

Mr. Parker: He would deserve to lose his income.

Mr. MARSHALL: That supports my contention that landlords are organised. The Bill should apply to all rents.

Hon. W. D. JOHNSON: When the Financial Emergency Bill was under discussion, the Attorney General gave an undertaking regarding rent. I admit he did not promise to sponsor a Bill on the lines of that introduced by the member for Geraldton, but he conveyed to me that he intended to deal with rent. No one thought he would introduce a measure, limited as this one is. It is too limited to be of assistance to the majority of people. We urged that unless relief were given in respect to rent, there could be no equality of sacrifice. I understood the Attorney General intended to give relief in regard to rent similar to the relief given in regard to interest. The Bill is most

disappointing to me and will be equally disappointing to a majority of the people. The Bill cannot be accepted as fulfilling the promise conveyed to the Chamber by the Minister.

The ATTORNEY GENERAL: The member for Guildford-Midland is practically accusing me of breaking faith with the House. I made it perfectly clear that I could not go anywhere near as far as the member for Geraldton desired by his amendment to the Financial Emergency Bill. What I said then was that I thoroughly disbelieved in rent-fixing legislation, but that I thought quite a good case had been made out for reducing rents on current leases. I went on to say that although I could not accept the amendment I was not finally turning down the whole proposition, though I was not prepared to go as far as an attempt at rent-fixing for weekly tenancies. If the member for Guildford-Midland will turn up "Hansard" he will find I made quite clear what I am prepared to do. I am sure that any impartial judge who reads "Hansard," and compares my remarks with the measure before us, will see that I have not departed from the promise I made and did not mislead the Committee.

Hon. W. D. JOHNSON: I misunderstood you.

The ATTORNEY GENERAL: That is one of the results of discussing measures at 6 o'clock in the morning.

Mr. KENNEALLY: We are now reaching another stage in the general sliding-down in everything. Apparently when the Attorney General said there had to be a slide-down in everything he made some mental reservations, which included house rents.

The Attorney General: No, I did not. It is generally agreed that house rents have slid down, and they will continue to slide down.

Mr. KENNEALLY: This Bill will not affect any lease that is for less than a month. When we were discussing the general slide-down, the point you were dealing with was that if we reduced the spending power of the community, and did not see that the cost of the commodity a man was obliged to buy was also reduced, he could not continue to exist. The Attorney General said he was prepared to give consideration to that aspect of the matter. If the tenants of butchers' shops or grocers' shops, who are mainly on a weekly basis, are not brought

within the purview of the Bill, they will not be able to sell their goods at a reduced price, and may lose their customers and go through the bankruptcy court.

The Attorney General: They are not weekly tenants, are they?

Mr. KENNEALLY: They are for the most part.

Hon. P. Collier: Nearly all the suburban shops are on a weekly tenancy.

Mr. KENNEALLY: Actually the rent is passed on to the customers, but if it remains at a high level the customers will not have sufficient wages to enable them to buy the goods. If the amendment is not accepted the Bill will be limited to tenancies on leases of four weeks or longer. In effect this legislation will be made to apply only to certain people. Whilst there has been a general slide-down in wages there is not to be the same reduction in rents. As a fact there will be more exemptions than otherwise under this Bill, if it is not amended. The economic position has not yet adjusted house rents.

The Attorney General: In the main it has.

Mr. KENNEALLY: I know that many houses have become vacant. Families have been driven to move into one room, because that is all the accommodation they can afford. The companion measure to this provided that the reductions should apply to rates of pay ruling on the 30th June, 1930. If this Bill is to be governed by the general slide-down, could it not provide that its operation should be based on rents ruling on the 30th June, 1930? This Chamber refused to exempt the man on the basic wage from reduction. Should we not, therefore, refuse to exempt any rents? The 22½ per cent. reduction in rentals, as in the case of wages, should apply to the position obtaining on the 30th June, 1930. The Minister would do well to accept the amendment.

Hon. J. C. WILLCOCK: At the beginning of the Committee discussion I did not know what would be the Attorney General's attitude towards this amendment. I know now. However, I do not know how other hon. members opposite regard the amendment. Is this to be a cast-iron vote, or a vote on broad national lines? If the latter, I am surprised that members representing metropolitan constituencies, the members for Perth, South Perth, and Cannington, do not support the amendment. The

member for Subiaco is unfortunately gagged by being in the Chair; but perhaps the member for Gascoyne would relieve you, Mr. Chairman. In the Subiaco electorate there are 3,000 or 4,000 houses, of which number the Bill as drafted would not cover 5 per cent. I do not know whether the Government submit Bills of this nature to party meetings.

The Attorney General: We are not going to tell you how it is done.

Hon. J. C. WILLCOCK: Surely members opposite are not bound to the dotting of an "i" and the crossing of a "t" in this Bill?

The Attorney General: You cannot complain of the manner in which your amendments have been treated.

Hon. J. C. WILLCOCK: Is this amendment to be treated in the same manner? If so, I shall endeavour to gain a few votes from hon. members opposite. Will they be able to explain satisfactorily to their electors the failure to bring the houses occupied by those electors within the purview of the Bill? I am convinced that not one-seventh of the rents in the metropolitan area have come down to the extent of 22½ per cent.

The Attorney General: I am prepared to assert the contrary.

Hon. J. C. WILLCOCK: Evidence which was placed before the Arbitration Court and served as a factor in the determination of the basic wage, showed that up to March last rents of private houses had come down only 10 per cent. Shop rents have fallen in only a few cases. Some may have fallen 20 per cent., but many have not been reduced at all. The reduction of 10 per cent. which I have mentioned represents the estimate of the Government Statistician. Therefore the principle of reduction under the Bill has not been carried into effect. I see no reason why effect should not be given to it. How can any hon. member opposite justify to his electors his opposition to the amendment, which is calculated to give them relief in these particularly distressful times? I do not know whether hon. members opposite are casting a party vote on the amendment. I did hear from the Parliamentary Draftsman when I saw him to-day, that one member opposite had consulted him regarding this amendment.

The Attorney General: I do not think it quite proper that you should bring into the

Chamber things you happen to hear from the Parliamentary Draftsman.

Hon. J. C. WILLCOCK: I am not indicating who the hon. member in question is. I mention the incident merely as showing that there is a distinct idea on the part of hon. members opposite that the incidence of the Bill should be such as to include all rentals. I notice that the member for Perth has come in, just in time to record his vote. I hope that when he is asked by his constituents his reasons for not giving effect to what is desired by the majority of them in connection with this measure, he will state those reasons. If the member for Perth wishes faithfully to represent his constituents, he should support the amendment and secure the relief sought for them. I can understand hon. members not supporting the Bill I introduced because it is possible that in those more prosperous days, tenants could afford to be exploited by the landlords. That is not the position to-day.

The Attorney General: I do not believe you had much faith in your own Bill.

Hon. J. C. WILLCOCK: The people of the metropolitan area would have been pleased indeed had that Bill been passed, but the amendment we now advocate will probably operate even more beneficially than that Bill. In accordance with the Plan, the Government have taken steps to reduce everything as far as possible, with the exception of rents generally.

Mr. SLEEMAN: If the Attorney General had more time to visit the poorer quarters of West Perth, he would see for himself the class of homes for which people have to pay rent, and his heart would soften. He would then consent to apply the Bill to rents generally as well as to those paid by big business men. The Minister has been led astray by the story that rents have come down. I do not think some of the evidence accepted by the Arbitration Court would stand much investigation because I believe it always tends to the side of the landlords. That is because of the manner in which the evidence is taken. The Attorney General pooh-pooched the idea that landlords would not let premises to tenants with families. On the 6th March during proceedings taken before the Commissioner, Mr. Moseley, under the provisions of the Tenants, Purchasers and Mortgagors' Relief Act, a landlord complained that his property had been damaged by the tenant's children. Mr. Moseley re-

marked, "This is the invariable result of letting houses to people with children." Apparently Mr. Moseley thinks we should not let houses to people with children! I have known instances of married people being refused premises because of their children. In one instance a married woman, by leaving her children elsewhere, secured rooms and there was a great stir when it was ascertained that she had a family. If the amendment be agreed to, it will help towards the end sought—equality of sacrifice.

Mr. WITHERS: I cannot understand the attitude of the Attorney General. Is he shielding someone else? Should a landlord own two premises, one let on a monthly tenancy and the other on a weekly tenancy, what hardship could he suffer if the measure were to apply in one instance and not in the other? I do not think the Attorney General has any particular class of landlord in view with regard to the exemption, but I cannot see why the measure should not apply all round.

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

Ayes	..	..	..	19
Noes	..	..	..	21
Majority against				2

AYES.

Mr. Collier	Mr. Munsie
Mr. Corboy	Mr. Pantou
Mr. Coverley	Mr. Steeman
Mr. Cunningham	Mr. Troy
Mr. Heguey	Mr. Wansbrough
Mr. Johnson	Mr. Willcock
Mr. Kenneally	Mr. Wilson
Mr. Marshall	Mr. Withers
Mr. McCallum	Mr. Raphael
Mr. Millington	

(Teller.)

NOES.

Mr. Angelo	Mr. McLarty
Mr. Barnard	Mr. Parker
Mr. Brown	Mr. Patrick
Mr. Davy	Mr. Piesse
Mr. Doney	Mr. Sampson
Mr. Ferguson	Mr. Scaddan
Mr. Griffiths	Mr. J. M. Smith
Mr. Keenan	Mr. Thorn
Mr. Latham	Mr. Wells
Mr. Lindsay	Mr. North
Mr. J. I. Mann	

(Teller.)

PAIRS.

AYES.	NOES.
Mr. Walker	Sir James Mitchell
Mr. Lutey	Mr. J. H. Smith
Miss Holman	Mr. Teesdale

Amendment thus negatived.

Hon. J. C. WILLCOCK: I move an amendment—

That at the end of the definition of "lease" the following be inserted:—"or

in case of premises used for the conduct of any business for any term or period which is not determinable at the will of the lessor by less than one week's notice."

While we could not succeed with the amendment which included a weekly rent for a dwelling house, I do hope the Minister will give some consideration to this one. When a business is being conducted in premises which are perhaps the only premises suitable in the neighbourhood, it is virtually impossible for the business man to leave those premises by way of protest against unduly high rent. So in times like the present if business men cannot get a reduction of rent, they are settled. As on a previous occasion I intimated to the House, there has been a tremendous reduction in the volume of business in the metropolitan area. The clearing-house returns show that in 1929 the aggregate business done amounted to £64,000,000, whereas in 1930 the amount fell to £52,000,000, and this year it is down to £38,000,000, or a decrease of about 40 per cent. So business people are not in a position to pay the same overhead expenses as before, and considerable hardship will be imposed upon them if they cannot secure a reduction of rent. Even doctors have their premises fitted up for the treatment of patients by the instalment of electrical and other apparatus, and all business houses, of course, have fittings of very considerable value. Consequently, people conducting business in those premises have to remain there, even at the high rents paid in years past. Sixty per cent. of the small shops in the metropolitan area are held on a weekly tenancy, and since the Bill does not apply to them, the landlords will be permitted to maintain their rents at the old high level. In one instance a businessman on being refused a reasonable reduction in rent, left the premises and, as a result, for the next two or three months the landlord unsuccessfully tried to let the shop at a very much reduced rental. The Attorney General seems to be convinced there are many empty dwelling-houses, and that tenants can shift from one house to another without inconvenience. But that does not apply to business premises, and so I think he ought to accept the amendment.

The ATTORNEY GENERAL: Surely it is not suggested that persons conducting businesses of such magnitude that they can-

not move are in premises for which they have only a weekly tenancy. I admit there are some small shops on short tenures.

Hon. J. C. Willecock: One at every corner of every suburb of Perth.

The ATTORNEY GENERAL: But such shops are not on weekly tenancies. It is only improvident persons who engage in business in premises on a weekly tenancy. The first thing asked by any sensible person when negotiating for the purchase of a business is as to the security of tenure, as to the nature of the lease. In my experience of these matters, which is considerable, there is a lease, not for a month but for an appreciable period. People who build up small businesses in weekly tenancy places would have no difficulty in shifting, and I know of no group of shops or offices in the town where there are not vacancies. In the small shopping centres in the suburbs and the outskirts of the city, "to let" notices are to be seen in one, two or more shops in each group.

Mr. Sleeman: There are plenty of businesses that cannot be shifted except to another district.

The ATTORNEY GENERAL: I do not think there are plenty that cannot be shifted. In the centre of the city where people build up a business and develop a goodwill, it may be difficult for them to shift. It would be extremely difficult and probably impossible for a firm like Foy & Gibson to shift, but the sort of business conducted in premises on a weekly tenancy could be shifted, and the rents for such premises in the mass have come down and will continue to come down. I do not desire to interfere with economic processes that are operating in the direction we wish. It was not the idea of anyone who attended the Premiers' Conference that we should interfere where economic forces would operate. Only where their natural operation was being retarded by law or contract was interference suggested as advisable. I do not like obdurately to resist the persuasions of the member for Geraldton, but his proposal does not fit in with my ideas.

Amendment put and negatived.

Clause put and passed.

Clause 3—Application of Act:

Hon. J. C. WILLCOCK: I move an amendment—

That in Subclause 1 the words, "but it shall not apply or have effect to or in respect of any lease hereinafter granted or entered into" be struck out, and the following inserted in lieu:—"and, except by leave of the Commissioner, it shall not be lawful for the lessor, under any lease hereafter granted or entered into in respect of any land which is or has been subject to a lease current or in operation at the date of the commencement of this Act, to reserve, charge or receive a greater or higher rental in respect of such land than that permitted by or under this Act, to be charged and received under the lease current or in operation at the date aforesaid."

The wording is rather involved, but the Parliamentary Draftsman prepared it to make the intention thoroughly clear. The existing rent should be the rent charged for premises during the operation of the measure, less the 22½ per cent. reduction provided for in Clause 4. If a lease expires in the near future, the terms of the lease as amended by this measure should continue during the operation of the measure. Legislation of this kind should operate uniformly.

The ATTORNEY GENERAL: I accept the amendment, although it does not quite fit in with my views of what ought to be done. My idea is to allow economic laws to operate, but the amendment can apply to only a limited number of leases, and I do not think it is unreasonable.

Hon. P. Collier: You think the law of supply and demand should operate?

The ATTORNEY GENERAL: Yes.

Hon. P. Collier: Do not you know that that law was repealed by Mr. W. M. Hughes?

The ATTORNEY GENERAL: My recollection was that Mr. T. J. Hughes, when a member of this House, arranged to have it repealed.

Hon. P. Collier: A goldfields candidate told an audience that Mr. W. M. Hughes had repealed the law of supply and demand, and that it was no longer in operation. I might add that he was not returned to adorn this Chamber.

The ATTORNEY GENERAL: I hope this will not encourage the member for Geraldton to move other amendments.

Amendment put and passed.

Mr. SLEEMAN: I move an amendment—

That a new subclause be added as follows:—"No provision in this Act shall be construed to permit any landlord to cancel any lease or evict any tenant unless and until such tenant shall be guaranteed a suitable lease of some other suitable premises."

I want to prevent evictions, which are giving the community serious concern. In other countries these things are the cause of bloodshed. People are already organising here to prevent evictions, and the time is near at hand when there will be a clash between them and those who are causing the evictions. The amendment will apply only to a few people, but may have a salutary effect upon those who are occupying houses on a weekly basis. If the Government are not prepared to give people enough money with which to pay their rent, or to provide homes for them, they should see that the evictions cease.

The ATTORNEY GENERAL: Perhaps the hon. member has shown some ingenuity in moving this amendment, for it has enabled him to make some comments on the question of evictions. I suggest his amendment is not relevant to the Bill, and is therefore out of order. If it is carried, its effect, from the point of view of the hon. member, will be nil. By no stretch of the imagination could any clause in the Bill be construed as conferring on a landlord any power to evict.

Mr. Sleeman: Landlords can evict people now.

The ATTORNEY GENERAL: Of course.

Mr. Sleeman: This is the Bill in which to insert such an amendment.

The ATTORNEY GENERAL: No. What the hon. member wishes to do is to extend the provisions of the Tenants' Relief Act.

The CHAIRMAN: The amendment is in order.

Mr. SLEEMAN: The Attorney General has again tried to dictate to the Chairman and have the amendment ruled out of order. Fortunately, it is acceptable to the Chair. There is a lot of relevancy between rents and evictions. The Government must wake up to the fact that the community will not much longer permit evictions to take place. Even a worm will turn. We know that women and children have within the last few weeks been turned out into the streets. The only proper thing for the Government to do is to accept the amendment.

Hon. W. D. JOHNSON: The member for Fremantle says that no person should be evicted from premises unless other suitable premises are available. In my electorate landlords are deliberately keeping their houses empty. The tenants have exhausted all the protection they can get from the Tenants' Relief Act, with the result that whole rows of cottages are left empty, while people are homeless. That is inhuman. The men concerned are not out of work because of any action of their own. The economic situation has developed so that people cannot get sufficient money to pay for a roof over the heads of their wives and families. It is quite common to see a man and his family and their goods put out in the street, and the house remain empty. How can any Government expect the people to tolerate such things? The particular landlord I have in mind is well-to-do. All his cottages are empty except one. I told the man threatened with eviction not to go out. Other landlords will not let a house to an unemployed person. Gradually all the unemployed will be homeless and there will be thousands of unoccupied houses. How can an Australian, above all men in the world, be expected to see a house remain empty when his family are out in the street on a cold, wet night? If the Attorney General cannot accept the amendment, he should take into consideration the special circumstances existing. The member for Fremantle said—and it is indisputable—that people are organising against the unemployed. What the amendment proposes is humanely sound. If houses are there, the people should be permitted to use them, just as to-day people are not allowed to starve. People can get assistance and still die of exposure.

Mr. KENNEALLY: The principle enunciated by the members for Fremantle and Guildford-Midland is sound; but the amendment, if carried, will not overcome the difficulty. In this Bill there is nothing that deals with evictions. I agree that people should not be evicted unless other premises are available to them; but the amendment would be useless.

Hon. P. Collier: It does not affect the question at all.

Mr. KENNEALLY: People who are to-day being evicted are not evicted under this measure but under the provisions of the law for that purpose. As the amendment cannot

give any relief, I am unable to support it.

Mr. SLEEMAN: In the circumstances I ask leave to withdraw the amendment. At an early date I shall ask hon. members to assist me in amending the relevant Act.

Amendment, by leave, withdrawn.

Clause, as previously amended, agreed to.

Clause 4—Limitation of rents:

Mr. SAMPSON: I move an amendment—

That the following proviso be added to Subclause 1:—"Provided that when the rent payable under any lease made prior to the 30th day of June, 1930, is calculated at a lower rate than that originally provided for in such lease by reason of any voluntary reduction made by the lessor before the commencement of this Act, then the rent to be reduced under this section shall, if the reduction so made by the lessor is less than 20½ per centum, be deemed to be the rent as originally reserved on the lease, and not as so voluntarily reduced as aforesaid, and in case the voluntary reduction is equal to or in excess of 22½ per centum, then no reduction of rent shall be made by virtue of this Act in respect of such lease."

The amendment gives consideration to reductions already made by lessors. I do not think the Committee will hesitate to agree that such consideration should be given.

Hon. S. W. Munsie: It is a pity you did not agree to the same thing regarding workers on part-time.

Mr. SAMPSON: I do not quite see the analogy. Where the landlord has some time ago given consideration by way of reduction—

Hon. S. W. Munsie: Workers were put on half-time five months ago.

The ATTORNEY GENERAL: I understand the member for Swan desires that if a reduction in rent has already taken place, then the 22½ per cent. shall not operate.

Mr. Sampson: That is, if the reduction is to the extent of 22½ per cent., but it may be made up to that percentage reduction.

The ATTORNEY GENERAL: As his amendment is framed, it will operate only when the reduction has taken place during the currency of the existing lease. If the lease had run out three weeks before and the landlord, being reasonable and generous, had granted a new lease with a 22½ per cent. reduction, he would, in view of the wording of the amendment, be hit a second time.

Mr. Panton: That is all right.

Hon. P. Collier: That is what the member for Swan wanted.

Mr. Hegney: He wants to make the sacrifice.

The ATTORNEY GENERAL: I do not think that is what the member for Swan had in mind. Two other amendments along the same lines have been suggested, one by the member for Geraldton and the other by the member for North-East Fremantle. Of the three, I think the Committee will agree that that suggested by the member for North-East Fremantle would be the best. His amendment appeals to me and is as follows:—"That a new subclause be added to Clause 5 as follows:—'A special circumstance to be considered by the commissioner shall be the amount by which the rent of the premises, the subject of the lease, may have been reduced since the 30th June, 1930.'" That would leave it to the commissioner to consider the effect of the reduction.

Hon. J. C. Willecock: That would mean that application would have to be made to the commissioner.

The ATTORNEY GENERAL: And would not that be the safest course to pursue?

Hon. P. Collier: Are solicitors to be allowed to appear before the commissioner?

The ATTORNEY GENERAL: Yes.

Hon. P. Collier: I can understand the reason for the amendment. Under that proposed by the member for Geraldton, it would not be necessary to go to the commissioner.

The ATTORNEY GENERAL: I want to leave the commissioner with wide powers, and I think we should, in effect, invite him to regard a previous reduction of rent as a special circumstance entitling a landlord to exemption from the deduction.

Mr. SAMPSON: Whatever amendment is agreed to, I hope that it will make it unnecessary for an appearance to be entered before a commissioner. That seems to be the weakness of the amendment suggested by the member for North-East Fremantle. I appreciate the charge of redundancy that may be made against my amendment, but I am not capable of framing such an amendment, and I have to take what the legal fraternity consider is necessary. Although lengthy, it seems to me my amendment is the proper one.

Mr. KENNEALLY: If we do not make some provision by which the landlord who claims that his rent should not be reduced by 22½ per cent. shall have to prove his case before somebody, the position will be entirely reversed and the onus will be thrown on the lessee of the premises to go before the commissioner and prove his case, instead of the onus being on the landlord. So I am inclined to favour the amendment. If the full extent of the reduction provided for is not to be made, the landlord must prove to the satisfaction of the commissioner that he has already granted relief to the extent claimed.

Mr. PARKER: The amendment does not really meet the case at all. This refers only to leases prior to the 30th June, 1930, and does not affect leases between that date and the present time. It may be that the lease has been renewed during that period. Later I will move an amendment that will cover all leases up to the present on the basis of the rent of the premises on the 30th June, 1930. If the landlord objects to a reduction he is liable to be mulct in costs under Clause 6. So, in fact the landlord will agree. It also has this advantage, that even though the landlord may have reduced his rent by 22½ per cent., nevertheless the commissioner may say it ought to be further reduced. I will oppose the amendment before the Committee with a view to moving an amendment to Subclause 2 of Clause 5.

Mr. SAMPSON: I will withdraw my amendment.

Amendment, by leave, withdrawn.

Clause put and passed.

Clause 5—Applications to commissioner for leave to charge rent at a higher rate:

Mr. PARKER: I move an amendment—

That the following be inserted to stand as Subclause 2:—"A special circumstance to be considered by the commissioner shall be the amount by which the rent of the premises the subject of the lease may have been reduced since the 30th June, 1930."

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

Clause 6—agreed to.

Clause 7—Regulations:

Mr. MARSHALL: I should like the Attorney General to explain the necessity for this clause. It is not right to give the Government power to administer the affairs of

the State by regulations. There was a time when the Attorney General bitterly opposed the giving of such power to Governments.

The Minister for Lands: He has received salvation since then.

Mr. MARSHALL: There has been no sign of repentance in him. I recall his holding up the Chamber for hours and ferociously attacking the Government of the day for suggesting that Parliament should give them power to make regulations. Yet every Bill the hon. member now introduces contains this clause. In the past he has opposed the giving of power to make regulations for the administering of really complex Acts, but to-night he asks for that power in respect of a simple little Bill like this. What does he imagine he could do if he were given that power? To what end would he make regulations?

The ATTORNEY GENERAL: The hon. member will agree that I have kept the offending clause out of any legislation which I have had a hand in framing.

Mr. Marshall: Oh no.

The ATTORNEY GENERAL: Then the hon. member must have been negligent in his duty, as he has not mentioned regulations for two months.

Mr. Marshall: I shall not fail in future.

The ATTORNEY GENERAL: The only regulations under the clause would be to prescribe the necessary form of notice, the term of notice and the fees to be charged.

Mr. Kenneally: Could you include solicitors' fees?

Mr. Parker: They are already fixed.

Mr. Hegney: They have not been cut by 22½ per cent. yet.

Mr. Parker: They have been cut 50 per cent.

Mr. Marshall: You will not do by regulation anything not in conformity with the measure?

The ATTORNEY GENERAL: No.

Mr. Sleeman: I might take a risk with the present Attorney General, but he will not always be in the position.

Clause put and passed.

Clauses 8—agreed to.

New Clause:

Mr. SLEEMAN: We have provided for salaries to be reduced from the 10th July, and it is only fair that rents should be re-

duced from the same date to ensure equality of sacrifice. I move—

That the following new clause be inserted:—"This Act shall come into operation on a date to be fixed by proclamation, but when proclaimed shall have effect as from and including the 10th day of July, 1931."

The ATTORNEY GENERAL: I cannot accept the proposed new clause. The only retrospective provision passed has been as between the Government and its servants. This measure will affect private citizens, and the new clause would necessitate landlords making a refund.

Mr. Raphael: Quite right, too.

The ATTORNEY GENERAL: The same principle should have been extended to interest.

Mr. RANBY: I would favour extending it to the banks.

The ATTORNEY GENERAL: No doubt the hon. member would.

Mr. SLEEMAN: What is sauce for the goose should be sauce for the gander. As retrospective reductions have been forced upon a section of the people, relief in rent payments should be given from the same date.

New clause put and negatived.

Title—agreed to.

Bill reported with amendments.

House adjourned at 11.50 p.m.