

Legislative Assembly,*Thursday, 12th September, 1929.*

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

QUESTION—WYNDHAM MEAT, SELLING AGENT.

Mr. MANN asked the Minister for Agriculture: 1, Is it a fact that the firm having the monopoly of local sale of Wyndham frozen meat represents also Swift's Australian Frozen Meat Co. of Queensland, and sells that company's product in opposition to Wyndham frozen meat and that the same firm represents also a canning and packing meat firm in New South Wales, and sells that firm's produce in opposition to Wyndham canned goods? 2, Is he aware that many of the freezing chambers in Perth and Fremantle have recently been filled with Queensland frozen meat to the detriment of Wyndham shipments expected in the near future? 3, Does he consider such a condition of sale of the State's produce is in the best interest of the State and its meat industry?

The MINISTER FOR AGRICULTURE replied: 1, No. 2, No. 3, Answered by 1 and 2.

QUESTION—WORKERS' HOMES BOARD, FEDERAL ADVANCE.

Mr. DONEY asked the Premier: 1, Is he aware that the Workers' Homes Board is not at present functioning so far as its workers' homes activities are concerned on account of a suspension of advances from the Commonwealth Treasurer, whereby the local administration is wholly unable to honour existing contracts? 2, Will he make representations to the Commonwealth Treasurer with the object of securing an immediate advance large enough to enable the local

Workers' Homes Board to meet present commitments?

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

QUESTION—FREMANTLE HARBOUR TRUST, SECRETARY.

Mr. DAVY asked the Minister for Agriculture: 1, Has a successor to the late secretary to the Harbour Trust been appointed? 2, If not, is it the intention of the Government to approve of any appointee who has not had a wide experience and knowledge of the workings of harbours?

The MINISTER FOR AGRICULTURE replied: 1, No. The late Secretary's term of leave has not yet expired. 2, When the time comes for filling the position, experience will be given proper consideration in assessing relative efficiency.

BILL—CREMATION.

Introduced by Mr. North and read a first time.

BILL—FAIR RENTS.

In Committee.

Resumed from the 10th September; Mr. Lutey in the Chair, the Minister for Justice in charge of the Bill.

The CHAIRMAN: Clause 5, which deals with applications to the court to determine rents, is under consideration.

Hon. Sir JAMES MITCHELL: When we were considering the clause, I asked the Minister whether the court would have power to increase the rent of a property held under the terms of a lease, and the Minister admitted that a court would have that power.

The Minister for Justice: The court would require grave reasons for doing so.

Hon. Sir JAMES MITCHELL: The Minister thinks it is perfectly fair to have it both ways; I do not think it just to have it either way. We cannot agree to Bills of this description without running the risk of doing an injustice to someone.

The Minister for Justice: You have the court to see that people get a fair deal.

Hon. Sir JAMES MITCHELL: The courts can fix fair rents only.

The Minister for Justice: Yes, on application.

Hon. Sir JAMES MITCHELL: That is so, but the idea is that the court shall fix rents all the time.

The Minister for Justice: Not at all, only when an application is submitted.

Hon. Sir JAMES MITCHELL: I acknowledge that when an application is made, the court will do what is fair, and the rent will go up or down accordingly. The court will deal mostly with houses that are not held under leases covering long periods, but in some instances, leases will be affected. If leases are entered into, surely their provisions should be maintained. I presume this clause will hardly apply to working men's homes, because they will not be held under long leases.

The Minister for Justice: In some instances the workers have to get a lease so as to make sure of retaining possession, otherwise their rents would go up.

Hon. Sir JAMES MITCHELL: At any rate, it will apply mostly to houses not held under leases.

The Minister for Justice: The increase of rents charged for shops and business premises has been shocking in some instances.

Hon. Sir JAMES MITCHELL: At any rate, the Minister claims that the clause will not have the effect of increasing the rents of premises held under lease for considerable periods.

The Minister for Justice: Not unless the court decides otherwise.

Hon. Sir JAMES MITCHELL: And that, in my opinion, is entirely wrong. The Minister should not expect to get a Bill through that contains such a dangerous provision. A man who agrees to a lease knows full well at the time that it suits him. Does the Minister think it necessary to have embodied in a Bill, which he says is designed to protect the men on the lower rung of the ladder, a provision that goes so far as the one under discussion. Possibly the Minister will reply by saying that he does not think so altogether, but that he does not know how to draft the clause unless he takes it both ways. I sympathise with him in that predicament, although I wholeheartedly disapprove of the clause. I do not think the Bill will do the slightest good, and I do not know why we should be asked to make it possible to do some harm.

The MINISTER FOR JUSTICE: The Leader of the Opposition touched upon the point at issue when he said we cannot legislate in one direction only. We must frame laws so as to give justice to both sides, particularly when we are dealing with a principle such as that embodied in the Bill. If rent is unduly excessive, and the tenant, almost under duress, has had to take a lease providing for an exorbitant rent, we say it should be competent for the court to say what rent should be charged. But we cannot have it all one way. If on the other hand somebody has a lease which is absolutely inequitable to the lessor, there is no reason why the court should not consider it. I do not think the court will set out to disturb anything which is equitable and reasonable to both parties. If the lessee has taken a lease for ten years knowing that he would lose on it during the first five years and would make up his loss during the second five years, the court, having heard both parties, would be in a position to treat both fairly. The point is that the court should be allowed to investigate the position. But the court would be very loth to upset a written agreement between two parties. Surely the court can be trusted to do the fair thing by both litigants. And even if the magistrate should make a mistake, there remains an appeal to the Supreme Court. If the lessor has made a grave error of judgment, it is only right that he should be allowed to approach the court. Possibly lessors have that right now, without the Bill at all, and certainly it is so where there has been exercised undue influence or anything of that sort. But, as I say, if everything is fair and above-board, no court would readily upset a lease agreement in writing and signed by both parties with a full knowledge of the facts.

Hon. Sir JAMES MITCHELL: While there is still unlimited land where cottages can be built, it cannot be said that we have unlimited suitable land for the building of shops, so of course it behoves the tenant of a shop to see that he has a long lease.

The Minister for Justice: Not many long leases are given now.

Hon. Sir JAMES MITCHELL: I do not know whether that is so or not, but probably there are some. We know that many shops are held under lease.

The Minister for Justice: But not for very long.

Hon. Sir JAMES MITCHELL: Surely a man does not go into a shop and establish a profitable business without having satisfactory security of tenure. The Minister has told us of shop rent being increased merely by reason of the good work of the tenant. The obvious remedy for that is a longer lease of premises. There is provision under the law for the leasing of shops for a term of years in order to protect both parties. However, I cannot agree with the provision to increase the rent during the currency of a lease. I suggest that the proviso to Subclause 7 be struck out.

The MINISTER FOR JUSTICE: The hon. member's wishes will not be met by the striking out of this proviso. In the absence of the proviso the court could raise the rent, the increase to operate next day; whereas the proviso prescribes that in the event of the rent being raised, at least 14 days' notice must be given so that the tenant may have opportunity to secure other premises as an alternative to paying the increased rent. So to strike out the proviso will not achieve the hon. member's objective.

Hon. Sir James Mitchell: But we can do it only this way, unless the Minister agrees to recommit an earlier clause which we have passed.

The MINISTER FOR JUSTICE: The hon. member could move to amend the proviso in such a way as to extend the prescribed notice from 14 days to three months, or even to 12 months.

Hon. Sir James Mitchell: Or until the determination of the lease.

The MINISTER FOR JUSTICE: Yes, even that. I am particularly anxious that the Bill shall not afford means for increasing rent. Still, in such legislation we must be fair to both parties and so frame the Bill that it will give justice to both. If the hon. member thinks we should not allow rent to be increased in any circumstances, and that the notice prescribed in the proviso should be extended to the expiration of the lease, such an amendment, if carried, would to a certain extent nullify the earlier clause. However, I would not be averse from accepting an amendment extending the notice to three months or even six months, instead of 14 days.

Mr. Latham: Fourteen days' notice would be altogether too short.

The MINISTER FOR JUSTICE: If the hon. member moves to extend it to six months, I will be prepared to accept it. But to strike out the proviso would make the position even worse.

Hon. Sir James Mitchell: What I object to is interference with contracts.

The MINISTER FOR JUSTICE: Well, the hon. member can move to defer the evil day by whatever he thinks a reasonable period. I will accept an amendment providing for six months' notice before the rent shall be increased. I did not want to be too hard on either lessee or lessor, and I thought that if the court should determine upon an increase of rent, a reasonable time should elapse before that increase became operative. Hence the 14 days in the proviso.

Mr. Davy: Where there is a lease you suggest that the rent could be decreased but not increased.

The MINISTER FOR JUSTICE: According to the subclause, it could be increased, but under the proviso the increase would not take effect until the expiration of 14 days. Now that I am assured of the support of the Leader of the Opposition, I move an amendment—

That "fourteen days" be struck out with a view to inserting other words.

Hon. Sir JAMES MITCHELL: The Minister's amendment will not have my support. I object to interference with contracts. Where a lease exists, it should stand. I realise that it would be no use to alter this subclause unless we provided that the increase should not take effect until the expiration of the lease, which would be ridiculous. Clause 3 should be recommitted for further consideration.

The Minister for Justice: Meanwhile we shall make this proviso as liberal as we can.

Mr. DAVY: It would not be reasonable for a landlord to increase the rent during the currency of a lease.

The Minister for Justice: The court would determine whether it was reasonable.

Mr. DAVY: The Minister wishes to give the right to determine a contract with which one or other party to it has become dissatisfied. The proviso is included as a sort of sop to the landlord. Actually a landlord could not raise his rent under a lease. What

better evidence could one submit of the proper rent than that the landlord had entered into a lease prescribing the payment of that rent?

Hon. Sir James Mitchell: It might be a ten years' lease.

Mr. DAVY: It is inconceivable that the provision would ever operate. If there was not a written lease and the rent was increased, the lessee could move to other premises. It matters little whether the proviso is included or not, except that Parliament is telling people more and more that they may enter into contracts and then have them altered. We are not encouraging a very high standard of business morality.

The Minister for Justice: We discussed that on the Land Agents Bill—undue influence with regard to contracts.

Mr. DAVY: That is an entirely different matter. If a man can show that he was induced by lying statements to enter into a contract, he has a remedy at law. The subclause cannot be made good, and so we might as well make it as bad as we can.

Mr. KENNEALLY: I hope the amendment will not be agreed to. We do not want to make it appear that if an alteration is made to a lease, effect cannot be given to the determination for six months. If under Clause 3 a lease is brought within the purview of this measure and the court can order a decrease forthwith, the court should have power to order an increase forthwith. I am not keen on the retention of the 14 days' period, but I am certainly opposed to a six months period.

Amendment put and passed.

The MINISTER FOR JUSTICE: I move an amendment—

That the words "one month" be inserted in lieu of the words struck out.

If a man is ordered to pay increased rent, sufficient time should be allowed him to get other premises, though it would probably be difficult to do that in a month.

Mr. LATHAM: A big business house would require much longer than a month to get other premises, and perhaps another month to move in. If a building were being leased from the Government it would probably be six months before the lease was finalised. I hope the Minister will increase the period to three months or six months. To alter a lease is a breach of contract with

which I disagree, but if the breach is to be committed, a period longer than one month should be allowed.

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

Clause 6—Court may decide whether subject matter of application is within its jurisdiction:

Mr. DAVY: Why has this clause been inserted? Every court must have the right to decide whether it has power to deal with matters brought before it.

The MINISTER FOR JUSTICE: It might be argued that the court did not have power to deal with certain matters and the court would then consider the question of its jurisdiction.

Mr. Davy: Must not every court do that?

The MINISTER FOR JUSTICE: Yes, to a certain extent, but cases have been decided by various courts, and on appeal it has been shown that those courts did not have power to deal with the matters submitted to them.

Mr. Davy: Do you suggest this will stop what is known as a writ of prohibition?

The MINISTER FOR JUSTICE: A court might want to discuss whether it had jurisdiction in a case as a fair rents court. It may be that the court would be the local court or one constituted under the Act. According to one of the litigants, the case might be one that should be taken by the local court, or another one. It was thought advisable to insert this clause so that the court itself could determine whether it had the right to hear that particular case.

Mr. DAVY: I suspect this might be intended to give the court the final decision as to whether it had jurisdiction or not. If that were the intention, it would be a bad one.

The Minister for Justice: It is not.

Mr. DAVY: If not, I fail to see the necessity for the clause. Every court has the right to decide whether it has jurisdiction to deal with the case.

Mr. Kenneally: Has every court the right to inquire?

Mr. DAVY: Yes. Inquiry means only considering and deciding. I suggest that the Minister ask the Parliamentary Draftsman why this clause was inserted. I should like to know whether it is intended to prevent a writ of prohibition.

The Minister for Justice: I will undertake to get the information for the hon. member.

Clause put and passed.

Clause 7—No costs:

Mr. DAVY: This means costs as between party and party. Is there any reason why, in this form of litigation, one man can drag another into court, perhaps on frivolous grounds, and the other has to bear his own expense? It is an invitation to persons—

The Minister for Justice: To waste their own time in court?

Mr. DAVY: Yes. One or two persons are habitually appearing in person.

The Minister for Justice: Even before the High Court.

Hon. W. D. Johnson: Including members of the profession.

Mr. DAVY: I do not want to be too definite in my statements. I fail to see why a person should not have to meet the expense to which he has put another if he turns out to be wrong. It would not be so bad if the Minister would give discretion to the court to award costs, if the case was deemed to be frivolous.

The Minister for Justice: We might do that.

Mr. Kenneally: It is very necessary.

Mr. DAVY: Costs might be awarded at the discretion of the court. I move an amendment—

That the following words be added:—
“unless the court decides that the application should not have been made.”

The MINISTER FOR JUSTICE: I am prepared to accept the amendment. We do not want to encourage people unduly to harass others when they have no right to go to the court. Some persons would be in the court all the time if they had their way.

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

Clause 8—Determination of fair rent:

The MINISTER FOR JUSTICE: This clause is practically the crux of the Bill. When introducing it I said we desired to place on the statute-book a measure giving effect to this principle. If there was any method whereby the Bill could be amended, or could attain this object without unduly

penalising anyone, or if some better method could be evolved to bring about the same result, I said I would be prepared favourably to consider it. I also said that I had brought the Bill down in this form because it had already been considered by the House, amended, and subsequently passed by the House. As a result of what the member for West Perth said, I think we can with advantage amend this clause so that the incidence of rent and the method of valuation might be altered. I have prepared some amendments, copies of which have been made for circulation amongst members. Seeing that these amendments alter considerably the effect of the Bill, it would not be fair to discuss them at a moment's notice. I think, therefore, progress should, for the time being, be reported.

Progress reported, and leave given to sit again at a later stage. [Page 720.]

BILL—MAIN ROADS ACT AMENDMENT.

In Committee.

Mr. Panton in the Chair; the Minister for Works in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 3:

Mr. SAMPSON: Has consideration been given to the interpretation of the word “constructed,” as it applies to developmental roads and their maintenance by local authorities? A difficult position may be created. I hope before a local authority is expected to maintain any road, the work will be completed. Failing that, the Main Roads Board may carry a certain work up to a particular stage, and then leave it. If the maintenance of a road is to become the responsibility of the local authority, the Main Roads Board should complete the job lest the road board itself should be faced with a burden it cannot carry.

I move an amendment—

That the following definition be added to Clause 2:—“‘Constructed’ means that such work has been completed to the approved specification.”

I do not wish to raise any objection which is not reasonable, but the Minister will re-

cognise that under the clause as it stands the local authority might be faced with an utterly impossible situation. If the road is not completed to the approved specification, the maintenance of the incomplete work would be highly expensive. Part of the Welshpool road in the Canning Road Board district, one of the first works of the Main Roads Board, was not completed, with the result that the construction broke up and had largely to be done again. Similar instances have occurred in other districts. A road is not constructed until the surface has been dressed.

The MINISTER FOR WORKS: The proposed definition cannot possibly be included in the Bill. What work is to be done is laid down in the agreement between the Commonwealth and State Governments, and that agreement provides for "progressive construction." Money can be spent first of all on clearing a road, and then on forming it, and on metalling it in places where metalling is needed; and when the traffic has developed sufficiently, more money can be spent in applying bitumen dressing. The conditions of contract are advertised, and they have to be approved by the Commonwealth and State authorities, and the work is completed according to specification. The hon. member seeks to impose an additional condition. The state of affairs he contemplates would not be tolerated by any Government for even a moment. Apparently he wishes every road to have a bitumen top before being handed over. How many miles of road would be made in this country subject to that condition? No Government could consider putting bitumen dressing on all roads from the south to the north. Indeed, not a hundred miles a year would be constructed in such circumstances, which would involve a gross and wicked waste of money in districts where roads do not need such dressing. The Commonwealth and State engineers have agreed that when the maintenance costs of a water-bound macadam road reach a certain figure per annum, it pays to apply bitumen dressing. That matter has been worked out to a very fine figure indeed. Take the road to Bunbury—a main road. It is not proposed to apply a bitumen dressing to that immediately; but as the years go on, capital expenditure can be resumed, and a bitumen dressing applied when the traffic justifies it. The hon. member wants to superimpose on an agreement

conditions as to a highly technical matter. The construction work done so far has proved most satisfactory. The only complaint has been that not enough of these roads are being constructed. If more money were spent on developmental roads, and less on main roads, the outback people would be better pleased. They do not want costly roads. Indeed, it has been contended already that the standard of developmental roads is too high. The evidence given before the select committee was entirely in the opposite direction to the hon. member's suggestion.

Mr. SAMPSON: I stated that in my opinion a road is not satisfactorily completed until it has been top-dressed. Following that, I submitted an amendment.

The CHAIRMAN: Does the hon. member realise that his definition would apply to the word "constructed" every time it appears in the measure?

Mr. SAMPSON: I did not realise that.

The CHAIRMAN: It would apply to every road, developmental or otherwise.

Mr. SAMPSON: My amendment is intended to apply to developmental roads.

The CHAIRMAN: The amendment does not say so. If carried, it will apply throughout the measure.

Mr. SAMPSON: Perhaps the clause could be recommitted. However, a definition of "constructed" is desirable. If the agreement between the Federal and State Governments is carried out in respect of a road, then the road will have been completed; but where the work is not completed, the local authority should not be called upon to maintain it. I have not said a road must be top-dressed before it can be regarded as constructed. It is constructed when the specification approved by the local and the supreme authority has been executed.

Mr. LINDSAY: I fail to grasp what the member for Swan wants. Does he not know that a developmental road is never taken out of the hands of the local authority.

Mr. Sampson: But the maintenance?

Mr. LINDSAY: That is their responsibility also. Even up to the time tenders are called local authorities are maintaining the road, and when the contract is let a certain amount of money is available out of the special grant of £1,000 to maintain that road for 12 months. I understand that a certain road in the district represented by

the member for Swan has not been sufficiently strongly constructed, and he is trying to make out that the Main Roads Board did not adopt the right specifications and therefore should maintain it.

Hon. Sir JAMES MITCHELL: We all realise that maintenance is an important part of the scheme of road-making. What the member for Swan wants the Minister to agree to is that the maintenance of the developmental road be a responsibility of the local authorities only when the road is completed. I agree it would be difficult to make that law. The Minister has pointed out that the weak parts must be strengthened before the whole length of the road is made. We have the Federal Government acting with the State Government in this work, and on the other hand we have the local authorities who also have considerable responsibility. I think the member for Swan will agree that with the money available we cannot make a sufficient mileage of perfect road to be of any great service to the country. If we could complete roads as we do complete them in the more populous places all would be well but as we cannot do that we must do a reasonable thing. That is what we are trying to do. I wish we could make all these roads perfect, but of course that cannot be done. I am not unmindful of the fact that the question of maintenance will be a serious matter for all local authorities. Fortunately, however, heavy cartage takes place in the summer when the roads are in a fit state to carry it, though that is not the case in the South-West where traffic at any time is a difficulty. I think the hon. member might withdraw his amendment.

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

Amendment by leave withdrawn.

Clauses 2, 3—agreed to.

Clauses 4—Amendment of Section 17:

Hon. Sir JAMES MITCHELL: Is this not the law to-day? Anyway, this safeguard is more imaginary than real. There have been hundreds of contracts let for amounts just under £1,000. Does the Minister scrutinise contracts for the purchase of material that go beyond £1,000?

The Minister for Works: The Tender Board does.

Hon. Sir JAMES MITCHELL: The Tender Board scrutinise, but do not finally approve of them. The approval must be by the Minister.

The Minister for Works: It must have my signature.

Hon. Sir JAMES MITCHELL: That is what I wanted to know. I should like to see a list of the tenders that are called. They are published in the "Government Gazette" and I suggest that it would be well if a copy of the "Gazette" were sent to every member of the House. The contracts that are to be approved have to be gazetted and we should know what they are.

Clause put and passed.

Clause 5—agreed to.

Clause 6—Amendment of Section 21:

Mr. SAMPSON: It might be possible to secure what I desire by an amendment of this clause. I move an amendment—

That in lines 2 and 3 of proposed Subsection 3 the words "or any work executed thereon" be struck out.

The deletion of those words will not invalidate the clause; it would give effect to what the Minister has just stated, that maintenance is not expected from the local authorities until such time as the contract, whatever it may be, has been completed. If we leave the position as it is at present, it will remain uncertain and a road might be brought up to any point, and the responsibility of maintenance would rest with the local authority. The deletion of the words is justified.

The MINISTER FOR WORKS: I cannot more effectively reply to the hon. member than by repeating what the member for Toodyay has already stated. At no period have the developmental roads belonged to the Main Roads Board; they are the property of the local governing authorities concerned. An error crept into the Act and provision was made for handing over the developmental roads when completed to the local authorities; that error has been rectified in the Bill.

Mr. Lindsay: All that the Main Roads Board do is to provide £2,000 per annum for expenditure on developmental roads in each road board area.

The MINISTER FOR WORKS: Yes, £2,000 worth of work is done each year on

the developmental roads according to the requirements of the local authorities concerned.

Hon. Sir James Mitchell: What the member for Swan is afraid of is that when the least bit of work imaginable has been done on a road, the local authority will have to provide maintenance for work done under instructions from the Main Roads Board.

The MINISTER FOR WORKS: Take the road from Wubin to Meekatharra; certain work has been done on the worst spots along that road. Operations are carried out each year on that road in accordance with agreements arrived at between the local authorities and the Main Roads Board. The member for Swan wants that road completed from Wubin to Meekatharra before this provision will apply.

Mr. Sampson: No.

The MINISTER FOR WORKS: The hon. member's amendment is in opposition to the spirit of the Act, and could not be enforced legally. I know what is the matter; the hon. member has but one road in his mind.

Hon. Sir James Mitchell: You should not say that!

The MINISTER FOR WORKS: I know it is so. I have had that matter placed before me so many times that I told the member for Swan that if he were wise, he would not mention that road again. Merely because the arrangements did not suit the Darling Range Road Board the attitude taken up was, "If you do not do the work to the standard desired by the Darling Range Road Board, we will have nothing to do with it." According to their attitude, the Commonwealth and State engineers can see that the work is up to their required standards, but that will not suit the Darling Range Road Board! There is one reply to such an attitude that can be effective. Once work on a developmental road is completed to the satisfaction of the engineers in charge, the Main Roads Board have nothing more to do with it beyond seeing that the maintenance is done in accordance with the agreement with the Commonwealth Government. Under that arrangement, if the State does not do the work required, the Commonwealth can step in and do it.

Hon. Sir James Mitchell: And take the cost of the work from the traffic fees of the local authorities?

The MINISTER FOR WORKS: No, from the money that would otherwise be spent in the district concerned. The work of the Main Roads Board has progressed

satisfactorily and a better spirit prevails today. I am satisfied that an improvement will be made on the existing position. The scheme was a big one and everything was new. The Main Roads Board had to set up necessary machinery, collaborate with local authorities, and get together a suitable staff to carry out the work. It is not an easy matter to get together a staff that will work in unison. There are a lot of fellows who have ideas of their own and want to go ahead, notwithstanding what may be required of them.

Hon. Sir James Mitchell: You cannot have three Mussolinis!

The MINISTER FOR WORKS: No; it has been a difficult task.

Hon. Sir JAMES MITCHELL: While the Minister must have power first to do the work and then to see that maintenance is carried out, he must realise that such a provision may lead to dangerous practices. Unless the work carried out is done substantially, it may disappear altogether when floods occur. That has happened from time to time. We know that the work done by the Main Roads Board is on a basis far more substantial than any local authority could carry out.

The Minister for Works: An amount of 10 per cent. is kept back for maintenance, and that should make sure of a decent job being done.

Hon. Sir JAMES MITCHELL: That is so. The Minister referred to the fact that the Federal Government have the right to tell the State Government to carry out certain work, and if the State authorities do not, the Commonwealth can do so. The State can tell local authorities to do the work and if their instructions are not carried out, can do the work themselves and charge it up against the local authorities. In the circumstances the Minister will agree that members may be excused if they view the Bill, if not with suspicion, at least with an appreciation of some of its dangers to local authorities. Of course, such a big road-making scheme had to be pioneered and doubtless we shall have to amend our ideas and legislation from time to time.

The Minister for Works: There is no doubt about that.

Amendment put and negatived.

Mr. SAMPSON: I move an amendment —

That in line 5 of proposed new subsection (3) after "situated" the words "to the ex-

tent of 50 per cent. of the cost of such maintenance and by the Main Roads Board to the extent of 50 per cent.”; and after “authority” in line 11 the words “but the aggregate cost to the local authorities concerned shall not exceed 50 per cent. of the total cost” be inserted.

The other night the Minister referred to developmental roads. He said that he had given consideration to bringing the Darling Range Road Board into the metropolitan area but the influence of the member for the district had prevented that being done, and, in consequence, the Darling Range Road Board could receive no share of the money in the traffic pool. My answer to that is quite clear. It was proposed that the board should be brought within the metropolitan area, but, unfortunately, the Minister did not propose, so far as I was able to learn, to declare any road within the board's area to be a main road. Had the change been brought about in the circumstances, so far from being of advantage to the district, it would have meant that the whole of the board's traffic fees would have gone into the traffic pool in the metropolitan area and, in the absence of a main road in the district, the board would have received none of it back. That position was known to the Darling Range Road Board and they gave consideration to it, with the result that my action was endorsed unanimously. In the circumstances, I had no alternative but to prevent the district being brought into the metropolitan area. Had the Welshpool-road been declared a main road, it would have paid the Darling Range Road Board to have been brought into the metropolitan area, as we would then have been in the same position as other local governing authorities affected. If later on the Minister is good enough to further consider the matter, I am sure the board will be pleased to discuss it with him. The amendment I have moved will have the effect of relieving the burden on those boards that have no main road in their district.

The MINISTER FOR WORKS: The amendment attacks the whole report of the select committee regarding the financial part of the scheme, and cannot be accepted.

Amendment put and negatived.

Clause put and passed.

Clause 7—agreed to.

Clause 8—Amendment of Section 27:

Hon. Sir JAMES MITCHELL: Will the Minister explain the meaning of the clause?

The MINISTER FOR WORKS: The Acts mentioned are those under which money was voted annually by the Commonwealth Parliament prior to the agreement being entered into with the Federal Government, and which no longer operate. The money is now provided under the terms of the agreement. The amendment will bring the legislation into conformity with the agreement.

Clause put and passed.

Sitting suspended from 6.15 to 7.30 p.m.

Clause 9—agreed to.

Clause 10—Repeal of Section 30 and substitution of new section:

Hon. Sir JAMES MITCHELL: Really this clause is the Bill. I spoke to the Minister about the position of towns of 4,000 or 5,000 people, such as Northam. If none of this money can be spent within the municipal boundaries, I should like to know what the municipal boundaries will be, and will such towns have to pay the 22½ per cent., or will they pay 15 per cent.? It seems to me the metropolitan area will come under this.

Mr. Richardson: Yes, we gave that away to them.

Hon. Sir JAMES MITCHELL: That you have agreed to, but I think Northam will come under Class B.

The MINISTER FOR WORKS: I am not too clear from memory what the clause will mean in relation to municipalities of more than 5,000 people. What I have in mind is that none of this money can be spent in the main streets of such a town. Taking it offhand, I should say that if there is no main road through the Northam municipality, the town will be in the same position as that of a road board district with no main road running through it. However, I will have a further look into it.

Hon. Sir James Mitchell: Will you agree to recommit the clause if you find the position is not as you think it is?

The MINISTER FOR WORKS: Yes.

Mr. SAMPSON: I must voice a protest on behalf of the districts coming into Class B. The Darling Range Road Board will pay two-thirds of the amount paid by other boards that have the advantage of a main

road. Yet, in spite of that, this district, and others also, will have to maintain at their own cost the local developmental roads. To that extent this proposed tax is not fair and the position is not satisfactory. I am disposed to move as an amendment that paragraph (b) be struck out. I appreciate the difficulties of the select committee, but from the standpoint of districts with no main road the committee's work is unsatisfactory.

Mr. LINDSAY: This provision, of course, was what the select committee sat on for about 10 days. It is the most important in the Bill. I agree with the Leader of the Opposition that there may be some good reason for having this clause further investigated. If it applies to Northam, then of course it applies to the metropolitan area. Under the agreement arrived at by the select committee, the metropolitan area pays 22½ per cent.

The Minister for Works: The metropolitan area is under another heading.

Mr. LINDSAY: Yes, so it is. The committee had a map to work upon and, curiously enough, on that map the Darling Range Road Board is a little yellow spot, all the other districts round about being coloured blue. Those coloured blue have to pay 22½ per cent., whereas the Darling Range board is asked to pay 15 per cent. In my opinion the Darling Range board has been given a very good deal, inasmuch as it has three main roads within a short distance of it. On the other hand, I know a board in Class B that has not a main road within 100 miles. Now if, on behalf of that board, I accepted this agreement, surely the member for Swan can accept it on behalf of the Darling Range board. As for the Northam municipality, we had its representatives as witnesses, and we had also representatives of the Northam Road Board. The men from the municipality came in first and declared the municipality should pay nothing because it received no benefit. Immediately afterwards the representatives of the Northam Road Board came in and declared that since it was the cars registered in the municipality that used the board's roads, the municipality ought to have to pay more than the board had to pay. I agree that the Northam Road Board have to maintain hundreds of miles of road, whereas the municipality collects more in traffic fees

than do the board. When first the Bill was brought down, I found it impossible to agree with it, and I still think it would never have been agreed to had it been left in its original form. However, it was lifted out of the political atmosphere of this Chamber and handed to the select committee, where it was discussed impartially and entirely free from party politics. I should like to congratulate the Minister for Works upon the fairness he displayed as chairman of that select committee, and upon the very great assistance he gave us.

Mr. KENNEALLY: The clause was the subject of considerable discussion by the select committee. If the Bill had to be determined from the point of view of the good it might mean to any given portion of the State, unanimity on the part of the committee would have been impossible. For instance, under existing conditions the metropolitan area has been called upon to deal through the traffic trust with the condition of its own roads, and so it could be claimed that it should not be called upon to attempt to meet any substantial portion of the cost of construction of roads outside its own territory. But if we consider the question from the State point of view, and realise that in order properly to develop this State it is essential that good roads shall be provided, it is then seen to be necessary that those in the respective portions of the State, whether metropolitan or country districts, must shoulder their portion of the cost of constructing the roads. To give an instance of the difficulties that have to be faced, I may say that on behalf of country districts it was rightly pointed out there are in those districts many vehicles that seldom, if ever, use main roads. The evidence taken by the committee was that, in the opinion of witnesses representing country districts, the licenses of those vehicles should be exempt from the computation of the payment for the construction of roads. But the majority of the witnesses holding that opinion also agreed that the principle should be applied generally. If we were to apply the principle generally, it would be found that a vast number of vehicles licensed in the metropolitan area never go beyond the limits of that area. So those vehicles also would have to be exempt, and the difficulty would then be to find sufficient money, possibly by the collection of a greater percentage of the total received from license fees than is pro-

vided for in the Bill. The select committee gave considerable attention to that aspect and, with a view to securing suitable roads for the State, have submitted this as the better method. If we deleted paragraph (b), the local governing bodies that would come in that category would have to go into (a) or (c). I am assuming that the member for Swan would not desire that they should go into (a) and contribute 22½ per cent. of their license fee. If my surmise is correct, and if it is the intention of the member for Swan that those road boards should go into (c)—

The CHAIRMAN: The member for Swan has not moved an amendment. He merely mentioned the matter.

Mr. KENNEALLY: I hope the clause will be retained. The distribution of the financial responsibility, which will mean the provision of 2,800 miles of road, should commend itself to all who are anxious to see constructed roads that will lead to the complete development of our agricultural resources.

Clause put and passed.

Clause 11—Deputations:

Hon. Sir JAMES MITCHELL: The clause provides that the Minister alone may receive deputations, not the board. That will be a hardship. The members of the board travel about the country and meet the local people. It would be wrong for members of Parliament to approach officials of the board as part of a deputation.

Mr. Clydesdale: Why?

Hon. Sir JAMES MITCHELL: It is not fair to an official that a member of Parliament should wait on him as part of a deputation. It is unnecessary that a member should do so, because someone else can always put the case just as well. I move an amendment—

That after "deputation" the words "in which a member of Parliament takes part or at which he is present" be inserted.

Then the Main Roads Board would be able to receive deputations so long as they were not accompanied by members of Parliament.

Mr. Marshall: Who would arrange deputations?

Hon. Sir JAMES MITCHELL: Probably the chairmen of road boards.

Mr. Marshall: It would save members of Parliament a lot of trouble.

Hon. Sir JAMES MITCHELL: I hope the Minister will not debar the Main Roads Board from receiving deputations unaccompanied by members of Parliament.

The MINISTER FOR WORKS: The amendment would make the clause identical with the provision in the Bill as it was introduced. The select committee carefully considered the question and decided to recommend that any deputation should interview the Minister and not the board.

Hon. Sir James Mitchell: You do not agree with that.

The MINISTER FOR WORKS: The decision was unanimous.

Hon. Sir James Mitchell: Then I am surprised and disappointed.

The MINISTER FOR WORKS: If the Main Roads Board received deputations they would be placed in a false position. The whole of their work is governed by finance, and finance must be controlled by the Government.

Hon. Sir James Mitchell: Then the Treasurer should receive the deputations.

The MINISTER FOR WORKS: The Treasurer arranges with Ministers to take deputations. If the Main Roads Board made promises to deputations regarding roads and bridges, the Government would have to find the money.

Hon. Sir James Mitchell: Then we had better wipe out the Main Roads Board.

The MINISTER FOR WORKS: If the hon. member wanted a railway he would not approach the Railway Construction Branch. If he wanted a harbour, he would not approach the Engineer for Harbours. If he wanted a building he would not approach the Chief Architect. I do not think it was intended that the Main Roads Board should receive deputations.

Hon. Sir James Mitchell: You could not prevent their discussing matters with road boards.

The MINISTER FOR WORKS: No, there is nothing to prevent that. All public officials do so.

Mr. Sampson: There would be nothing to prevent the chairman or a member of the Main Roads Board from going to a road board office and discussing matters.

The MINISTER FOR WORKS: No, that has been the policy.

Hon. Sir James Mitchell: You want to keep politics out of this business.

The MINISTER FOR WORKS: Yes, and I defy anyone to say that I have ever used a scrap of political pressure in connection with the Main Roads Board. I could cite many members of both Houses, some of whom are loudest in condemnation of political pressure, who have used their influence to try to get work done in their districts. I want to cut that out. If members desire to use their positions as such, they should talk matters over with the Minister, who has to stand up to the criticism of this House. Officials are liable to be placed in a false position if they have to meet members of Parliament and refuse their requests. Some members might not feel too friendly-disposed towards them afterwards, and certain political discussions might arise in the House.

Hon. Sir James Mitchell: What has made you change your mind?

The MINISTER FOR WORKS: The original suggestion was to keep members of Parliament out of the matter. The correct way to handle it is for the Minister to deal with all deputations. The agreement is between the State and Federal Governments. The Commonwealth Minister will not accept anything coming from the Main Roads Board, and will not recognise anything that does not bear the signature of the Minister. The original Bill does not go as far as this, but the clause is the natural corollary to what was previously set forth.

Amendment put and negatived.

Clause put and passed.

Title—agreed to.

Bill reported without amendment and the report adopted.

BILL—FAIR RENTS.

In Committee.

Resumed from an earlier stage in the sitting (page 709).

Clause 8—Determination of fair rent:

The MINISTER FOR JUSTICE: Earlier in the sitting I indicated that it would be of advantage to members if they were given time to study the amendments I had drafted in connection with this clause. It is recognised that there has been considerable alter-

ation in land values in Western Australia, and it would, therefore, be unfair to take values as they stood many years ago as the basis on which to fix rentals to-day. This Bill is required to benefit all the people in the State, but we desire that it shall apply fairly and equitably in every direction. Although there may be one or two anomalies in it that would affect only a few people, we want even those removed so that no hardship may be created anywhere. The amendment I have to move is perfectly fair in its incidence. It provides that the man who owned land on the 30th June, 1921, and declared on his land tax assessment that it was worth a certain price, can then add 20 per cent. to the value so declared, and say that this is the capital value of the land for the purpose of determining how much rent should be charged. If a man has an accretion of capital in the value of anything he possesses, and he gets a fair rate of interest during the period he has held it, and his capital has increased in value to the extent of 20 per cent. during the seven or eight years following, he will suffer no injustice if, on top of the added capital value, we allow him a return of 9 per cent. interest on his money. I move an amendment—

That the following proviso be added to Subclause 1:—"Provided that where land and buildings have been purchased or buildings have been erected, prior to the 30th day of June, 1921, the unimproved value of the land as assessed under the Land and Income Tax Assessment Act, 1907-1924, for the year ending the 30th day of June, 1921, shall be taken to be the value of the land, and the value of the buildings thereon as stated in the return for such assessment, shall be prima facie evidence of the value of the buildings at that date."

Amendment put and passed.

The MINISTER FOR JUSTICE: I move an amendment—

That in line 3 of Subclause 2 the figures "1915" be struck out, and "the 30th day of June, 1921," be inserted in lieu.

Amendment put and passed.

The MINISTER FOR JUSTICE: The member for West Perth referred to a case in which property that had been given to a relative or bequeathed to one, or handed over to a person at much below its real capital value being deemed, under the Bill, to have no capital value whatever. To remove that objection I have drafted a new sub-clause which provides that in such cases the

capital value shall be determined by the court. I move an amendment—

That a new subclause to stand as Subclause 5 be inserted as follows:—"Where land and buildings have been acquired by gift or devise or otherwise than by direct purchase, the court shall determine the capital value."

Amendment put and passed.

The MINISTER FOR JUSTICE: The present Subclause 5 will, I take it, be re-numbered as Subclause 6. I move an amendment—

That the following proviso be added to Subclause 6:—"Provided also that the court may, in its discretion, fix the rent at an amount below the total of the items in paragraphs a, b, c, and d hereof, and shall do so when in the opinion of the court any undue inflation of the capital value has occurred."

I stressed on the second reading that land had been unduly inflated in value by a series of sales.

Mr. DAVY: You said you were going to put these amendments on the Notice Paper.

The MINISTER FOR JUSTICE: No. The motion was to report progress and ask leave to sit again at a later stage of the sitting.

Mr. DAVY: I did not notice that.

The CHAIRMAN: The motion was to resume at a later stage.

The MINISTER FOR JUSTICE: I said that according to many men in public positions an evil existed in the inflation of land, especially of city properties, during the last few years. We do not want to prevent increase in land values, or to set up a court for the purpose of determining the capital value of land. However, in the case of land inflated in value, when it comes to fixing the rent relatively to the capital value the court should have the opportunity of fixing it on the true capital value of the property.

Mr. DAVY: The local court—it does not pretend to be a very highly-skilled court—is to do this work on the meagre kind of evidence likely to be available. Probably the person complaining that his rent is too high will be of small means.

The Minister for Justice: Not necessarily. People renting large premises are complaining.

Mr. DAVY: I thought this was a highly democratic measure intended to help poor persons.

Mr. Withers: To be democratic, it must give help to all, do justice to all.

Mr. DAVY: Then this is the most undemocratic measure ever put before this Parliament. The magistrate shall light-heartedly set out to determine that there has been inflation of the capital value.

The Minister for Justice: Not light-heartedly, seriously.

Mr. DAVY: The general capital value in many cases is the unimproved value, which means the value arrived at by the Government's experts, the value on which the man is to be taxed.

The Minister for Justice: No. Read Clause 4.

Mr. DAVY: The Minister proposes that the court shall be charged with the duty of saying whether the unimproved capital value, which means under Clause 4 the unimproved capital value as determined by the Government's own expert, is unduly inflated.

The Minister for Justice: No.

Mr. DAVY: Yes.

The Minister for Justice: That clause deals with the land, and precedes this clause. Then we get to the building.

Mr. DAVY: Yes, the cost of the building plus 20 per cent. That is definite enough. The formula which the court has to adopt takes the unimproved value of the land as fixed for the court by the Government's own experts, and the owner has to pay tax on it. Then the magistrate takes the cost of the buildings plus 20 per cent., and thus arrives at the total capital value on which rent is to be paid. Is that correct?

The Minister for Justice: Yes.

Mr. DAVY: Then the Minister says that if the magistrate thinks the capital value arrived at upon that scheme is unduly inflated, he can reduce the value.

The MINISTER FOR JUSTICE: No. That refers to land purchased since 1921. What the hon. member is dealing with refers to land purchased before 1921. The court first of all has to determine what is the capital value of the land. A definite procedure is set down for the court to adopt in determining that. Subclause 1 shows the way to determine the value, but is subject to the proviso which has been added. The value having been determined, the court will not worry about inflation, the

property having been in the hands of the same person for perhaps eight or nine years.

Mr. Davy: But the clause does not say that.

The MINISTER FOR JUSTICE: I asked the Solicitor-General to draft a clause to the effect that where land has changed hands three, four or five times during the last three or four years, and where in the opinion of the court undue inflation has occurred, the court can determine the fair rent on the proper value of the property. On the second reading I gave an instance where, the capital value of a property having been £8,000 four or five years ago, and £6,000 having been spent in improvements, the last sale of the property was for £40,000. People do not pay £40,000 for land worth only £8,000 or £9,000 three or four years ago because they want to buy, but because the premises in which they are doing their business are absolutely necessary to that business. Probably they could use the £30,000 or £40,000 much more profitably in their business, but they do not want to run the risk of losing their business through being put out of the premises. In order to ensure themselves against that risk, they are prepared to pay considerably more than the actual value of the land, recouping themselves by charging higher prices. I am informed that that has occurred in numerous cases. The purchase is frequently effected through borrowing 75 per cent. of the amount from a bank, the overdraft carrying interest at the rate of 7 per cent. per annum. In the ordinary course of business such firms, thanks to rapid turnover, could with the addition of that amount to their working capital make a great deal more profit.

Mr. Davy: And make the landlord finance them— that is your argument. Surely we are not bothering about people who can buy properties worth £40,000! I would like to see a person of that kind who would approve of this clause.

The MINISTER FOR JUSTICE: We are not bothering about that person, but we are bothering about the fact that a land purchase of the kind leads to inordinate raising of commodity prices by the purchaser of the land.

Mr. Davy: He cannot do it.

The MINISTER FOR JUSTICE: It has happened, and that is one of the reasons

why Australia in general is getting into a disadvantageous economic condition. In that respect we are getting absolutely out of step with the whole world.

Mr. Davy: The whole world is in absolutely the same position, so far as that is concerned.

The MINISTER FOR JUSTICE: I am not merely expressing my own opinion. Mr. Bruce has stated—

Mr. Corboy: Is not he recently discredited?

The MINISTER FOR JUSTICE: I do not know that he is. However, it will be agreed that he is a keen student of economics. I quoted Mr. Bruce because he occupies a very prominent position in the public eye. I quoted also the chairman of directors of the Bank of New South Wales and other people. All have said that as far as production costs of commodities are concerned, Australia is out of step with costs all over the world. I quoted the views of four or five persons who can be regarded as authorities and who claim that undue inflation of land values in Australia, particularly in connection with properties in the capital cities, is one of the causes of our economic difficulties.

Mr. Davy: Surely they did not say that!

The MINISTER FOR JUSTICE: Yes, they did. I referred to the manager of Ezywalkin, Mr. Gaze, who pointed out the grave dangers of undue inflation of city property values and quoted what had happened in South Australia. We cannot stop speculation in land, and it is perhaps not advisable to have any rule-of-thumb method of stopping it. When it does occur, we say that the extra cost must not be passed on to the general community.

Mr. Angelo: The community need not deal with them.

The MINISTER FOR JUSTICE: The community have to do their insurance, banking, shopping, or other premises, through companies whose head offices are in Perth.

Mr. Davy: They have to do that business wherever those firms like to go.

The MINISTER FOR JUSTICE: Yes, but whatever is done must go through the executives who operate in expensive buildings in Perth.

Mr. Davy: So you propose to stop the values of central city properties going up, and, in fact, you desire to reduce them?

The MINISTER FOR JUSTICE: No, but the clause means that if there is an undue inflation of property values, the extra expense shall not be passed on to the community in the form of increased rents, or prices of commodities. If people are foolish enough, or because economic necessities suggest that businesses must be retained in specific premises, to purchase buildings at unnecessarily high figures, the extra cost should not be passed on to the community. I know of several business firms who have bought buildings and freely admit that the premises are not worth the money paid for them.

Mr. Davy: How can you say that? Your valuers say they are worth that, and tax the people accordingly.

The MINISTER FOR JUSTICE: The unimproved land tax is not adjusted annually!

Mr. Davy: No, it is adjusted every five years, but your valuers take the most recent sales as the only evidence of values.

The MINISTER FOR JUSTICE: That is so.

Mr. Davy: Then if someone pays £20,000 for a building, why do you say that is not its value?

The MINISTER FOR JUSTICE: Because if it were not for the fact that the occupier of that particular building desired to continue his business in his premises, the owner would not have secured such a return.

Mr. Davy: If no one wanted the premises, they would be worth nothing.

The MINISTER FOR JUSTICE: People who purchase buildings in the circumstances I have indicated would not get a return on their money such as they would derive from investments in other directions. They may receive a return of 2 per cent. only.

Mr. Davy: On what basis?

The MINISTER FOR JUSTICE: On the rents they pay at the present time. If a building were worth £20,000, for which they pay £2,000 a year as rent, incidental expenses such as insurance, rates, taxes, repairs and so forth would absorb upwards of £200, so that would leave £1,800 or about 9 per cent. In order to ensure occupancy of the premises, they may pay £40,000 or £45,000 for it, so that the real return would be about 4 per cent.

Mr. Davy: But that is on the basis of rent. The value of the building to the pur-

chaser is in accordance with the amount of trade transacted.

The MINISTER FOR JUSTICE: But some of these people are interested in disposing of the commodities they have for sale, and are not engaged in the business of acquiring properties. Some of them have leased properties and have built up a large business in certain premises, and they realise that if they were to remove to another site much of the good will of the business would be destroyed. In order to retain their position, they give more than is the real value when they purchase the building. The price paid for such a building is not the fair capital value of the property. Where it can be demonstrated to the court—

Mr. Davy: How are you going to demonstrate anything like that to the court?

The MINISTER FOR JUSTICE: By expert evidence. There are valuers who are sworn to give what is the fair value of land or buildings.

Mr. Davy: You are talking about land bought by a person who buys and sells. What about buildings that are leased?

The MINISTER FOR JUSTICE: I do not wish to mention names but I will refer to a tailoring business that was established in William-street. The tailor bought premises in Murray-street in order to conduct business there. The Forrest-street extension did not go through to St. George's Terrace.

Mr. Davy: It was a bitter disappointment to a lot of people, was it not?

The MINISTER FOR JUSTICE: That is so. That tailoring firm did not do any business in the new premises at all, but secured other premises that were considered more suitable. As they had paid a very high price for the Murray-street building, they charged rents to cover the inflated price of the building.

Mr. Davy: They charged what rent they could get, nothing else.

The MINISTER FOR JUSTICE: No.

Mr. Angelo: The lessees went in with their eyes open.

The MINISTER FOR JUSTICE: Yes, but they opened their eyes and passed on to the public the extra £1,000 or so that they had to pay. As a result the general community suffered so that the landlord could secure his rake-off. I want to prevent that sort of thing.

Mr. Davy: The only scientific way by which that can be done is by means of an unimproved land tax.

The MINISTER FOR JUSTICE: And we cannot get that.

Mr. Davy: You do. It is fixed on the actual values, evidence in connection with which is taken from recent sales.

The MINISTER FOR JUSTICE: In that instance the tailor awakened to the fact that there was more money to be made from inflating land values.

Mr. Davy: How can you say that?

The MINISTER FOR JUSTICE: I say it without any hesitation whatever. The tailor quickly realised that he could make more out of deals in property than from making trousers. After three or four such deals, that man left Perth and is now living in Melbourne where he is spending upwards of £50,000 that he made in the course of a few years. That was his rake-off.

Mr. Davy: Rake-off is an offensive expression and is generally used in reference to secret commissions or bribes.

The MINISTER FOR JUSTICE: Perhaps in discussing this matter we need not get down to the vernacular; I was referring to what I regard as undue profits, or the undue inflation of land values. I do not blame that man in the slightest degree. I suppose we all would, if we had the opportunity to do something that was not dishonest but was in accordance with the law of the land, act similarly, but I blame Parliament for permitting such practices to continue once attention has been directed to the economic evils involved. If we can prevent that sort of thing by passing restrictive legislation, we should take that course. A man should not be permitted to take advantage of inflated land values and cause those affected to recoup themselves at the expense of unfortunate tenants, or of tenants who are fortunate enough to be able to pass on the added cost to the community. While speculation in land may go on, we should see to it that the practice does not affect the community to their detriment.

Mr. DAVY: I suppose we are just wasting time in discussing this, because the Minister has made up his mind.

The Minister for Justice: No. I have brought down all these amendments to meet the points you made in your speech the other night.

Mr. DAVY: The Minister flatters me. This proviso we are discussing is to me even more offensive than anything in the original Bill. The Minister persists in talking about the undue inflation of land values. What does he know about it?

The Minister for Justice: Not anything myself. I have been quoting experts.

Mr. DAVY: The Minister quoted certain gentlemen who expressed the opinion that there might be a bit of a risk of a land boom in Perth because recently there had been a rapid rise in prices paid for land in the central part of the city. The Minister spoke of the experiences of a certain tailor. I think he was referring to Brown's buildings, situated opposite Forrest Place. That portion of Murray-street suddenly came into its own. Forrest Place was put through, and once the people got used to Forrest Place it made that portion of Murray-street an immensely more profitable locality in which to have a business building than it had been before. If the Minister were to go to any governmental land valuer he would find the officer had a chart showing the number of people passing a given point in a given time, and he would then discover that the place where the greatest number of people pass is just opposite this building he has referred to. The reason why the land values there went up so substantially was simply the habit the people suddenly developed of going there, with the result that more profits could be made in that place than could have been made there before. In addition to which, of course, we have had a great increase in population in the city, we have had a marked rise in wages, and above all there is the fact that the growing city is cramped in between the river and the railway. The Minister talked about prices having been forced up owing to traders having to pay increased rents in order to preserve their business, and then immediately passing on the burden to their customers. But traders can no more increase their prices and keep their business than can the Minister increase his height by taking thought. A combine of traders might be able to do it, but an individual trader cannot put up his prices merely because his rent has gone up. If he charges more than his neighbour, he will be on the way to bankruptcy immediately.

The Minister for Justice: Most customers pay the prices asked of them.

Mr. DAVY: I think that when my wife goes shopping, if she is asked more for an article at Boans than at Foys, she declines to purchase it at Boans and goes off to Foys.

The Minister for Justice: Oh yes, but suppose she were buying furniture?

Mr. DAVY: If she were buying furniture she would find out where she could get what she wants at the cheapest price. I admit that if she goes off to buy a hat, then in all probability she will buy the hat she wants, whatever it should cost. But now we are getting into the realm of luxuries, which are not governed by the ordinary rules of trade. What I want to talk about is the ordinary commodities that a person buys as cheaply as he can, staple lines. Such commodities can be bought cheaper at Boans or at Foys than they can at shops where the rental is only one-tenth of what those big firms have to pay. Legally this proviso will apply to any land and buildings, not only land and buildings that have been purchased since 1921.

The Minister for Justice: But in practice it will be applied only to land and buildings purchased since then.

Mr. DAVY: Well, I will not follow that any further. The Minister proposes that a magistrate, apparently without the necessary expert evidence, is to say "True, this man bought this land and buildings for £20,000, but in my opinion there has been undue inflation of the capital value, and therefore I am only going to allow him to charge rent of £10,000." That is the proposal. Who is the magistrate, that he should determine there has been undue inflation? Those three gentlemen whom the Minister quoted the other day expressed one opinion. I can take the Minister to a very much greater expert than any of those three, who will tell the Minister that in his opinion there has been no inflation, and that the values of property in Perth are only just beginning to reach their true economic level. And let me remind the Minister that the latest rapid rise has been due to the coming into Western Australia of foreign capital; in the same way as our farm lands have been going up in value because the people of the Eastern States have realised that the price of those lands has been far below their true economic value from the point of view of production. Would the Minister call that undue inflation? Six years ago no ordinary farming land in Western Australia had ever been purchased for as much as £5 per acre unimproved value. Since then a great deal

of farming land in Western Australia has been sold for £10 per acre unimproved value. And it will go on until our land reaches the same price as the land in South Australia or New South Wales.

The Minister for Justice: Then we will go bung, as the soldier settlement did in Victoria, where they lost £10,000,000.

Mr. DAVY: What on earth has the rise in the values of farm land to do with the soldier settlement going bung?

The Minister for Justice: Too high a price was paid for the land.

Mr. DAVY: Probably so; because the Federal Government rushed in with millions to spend and bought up farm land everywhere. Of course the price was put up. As sure as the sun will rise to-morrow, the values of farm lands, town lands and suburban lands in this State will inevitably rise to their true economic value. And the only way to judge what that may be is to note the prices at which land is sold and bought.

The Minister for Justice: We do not want the burden of inflation to be passed on.

Mr. DAVY: You are going to hand to a local court magistrate the job of deciding the values, a man in himself ignorant of the economic price of land. He has to determine whether the price paid for a piece of land by a man who knows exactly what he wants was or was not fair. You are handing over to the magistrate the duty of saying "This man has paid too much, and is a fool." I appeal to the Minister to withdraw this provision. He says he has brought it down in deference to my wishes. If I had thought that any remarks of mine the other night would have produced this thing, I would have ceased immediately.

Mr. Sleeman: If you talk much more the Minister may bring down something further.

Mr. DAVY: That is true. The other night I said that from a purely selfish political point of view we ought to let the Bill go through without a word.

Mr. Corboy: And you have made it worse.

Mr. DAVY: Yes; if, as the Minister says, this provision is the result of what I had to say, I have made it much worse. But I am wondering whether it would be possible to induce another place to accept this proviso. If we could induce another place to let the Bill go through in its new shape, we could be perfectly sure that the Government of this country would pass into other hands. But I am afraid another place could not

possibly agree to accept this. I will vote against the proviso.

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

Ayes	..	..	..	15
Noes	..	..	..	7
				—
Majority for	..	..	..	8
				—

Ayes.

Mr. Clydesdale	Mr. Marshall
Mr. Corboy	Mr. Munro
Mr. Coverley	Mr. Rowe
Mr. Cunningham	Mr. Sleeman
Miss Holman	Mr. Willcock
Mr. Kenneally	Mr. Withers
Mr. Lambert	Mr. Chesson
Mr. Lamond	

(Teller.)

Noes

Mr. Angelo	Mr. Sampson
Mr. Davy	Mr. J. H. Smith
Mr. Lindsay	Mr. North
Mr. Richardson	

(Teller.)

Amendment thus passed.

The MINISTER FOR JUSTICE: I move an amendment—

That the following subclause be added:—
“(7) Before any increase is made in the rent, the lessor shall satisfy the court that there is just cause for an increase on the average rent charged during the preceding three years.”

A return of 9 per cent. on capital with a deduction for all material outgoings is generous, but because we are allowing this generous return, we do not want people who have been satisfied with a reasonable rent and have done nothing to improve the property to apply to have their rent brought up to the scale of this measure.

Mr. Sampson: Evidently the proposal is fraught with danger.

The MINISTER FOR JUSTICE: To some extent it may be. Some people argue that because other owners of property have raised their rents, they are foolish not to have done likewise.

Mr. Sampson: Did not we increase our salaries a while ago because others had done likewise?

The MINISTER FOR JUSTICE: We did follow that unworthy example. We do not want this measure to be used for rent-raising.

Mr. Davy: If a landlord wants more rent, he simply charges it, and if it is higher

than the economic rent, the building will be vacant.

The MINISTER FOR JUSTICE: In Perth there are 6-roomed houses occupied by three or four families.

Mr. Davy: In Perth it is extremely uncommon for several families to occupy the one house.

The MINISTER FOR JUSTICE: If the hon. member inquired he would find that there are houses of 12 or 13 rooms shared by half-a-dozen families.

Mr. Davy: You are referring to the boarding and lodging houses.

Mr. Sampson: Houses occupied by single men and men separated from their wives.

The MINISTER FOR JUSTICE: No; occupied by married men and their families.

Mr. Sampson: You are referring to flats.

The MINISTER FOR JUSTICE: No, they all use the one kitchen and the families eat in the bedrooms. If there are children, a family may have a second bedroom. Man, wife and children live in the bedrooms and have the use of the kitchen.

Mr. Sampson: That is the modern method of reducing housework.

The MINISTER FOR JUSTICE: And for that modern method they have to pay 10s., 12s. 6d., or 15s. for each room occupied.

Mr. Angelo: The workers' homes scheme will cure that.

The MINISTER FOR JUSTICE: The Government are anxious to do all they possibly can under the worker's homes scheme. To borrow a million of money to build workers' homes would involve an interest charge of $5\frac{1}{4}$ per cent.

Mr. Angelo: The Commonwealth Bank have $4\frac{1}{2}$ millions of our money which could be obtained at $5\frac{1}{4}$ per cent.

The MINISTER FOR JUSTICE: Only last week the Federal Government borrowed five or six millions in London at 6 per cent. The hon. member should be aware of current events.

[Mr. Lambert took the Chair.]

Mr. Angelo: Not three months ago the Commonwealth Bank—

The MINISTER FOR JUSTICE: Things have changed greatly in three months. We do not want the measure to be used as a rent-raiser. People who have invested their

money in house property should be able to get a reasonable and even generous return, but we do not want them to continue to increase their rent.

Mr. Davy: You are like King Canute who sat on the beach and told the tide not to come up.

The MINISTER FOR JUSTICE: And almost as persistent as the advance of the tide is the increase of rents. If they increase at a greater rate than they have done in the last three years, goodness knows where we shall end.

Mr. Davy: Rents will increase if building costs continue to go up.

The MINISTER FOR JUSTICE: Then in four or five years we shall need a basic wage of £5 a week.

Mr. Davy: That is just where we are drifting.

The MINISTER FOR JUSTICE: If that happens, how are we going to compete in the markets of the world? We can compete at present with wheat, wool, timber, and other commodities.

Mr. Sampson: Those industries are outside the scope of the Arbitration Court.

The MINISTER FOR JUSTICE: Those industries are affected by the increases given to employees in other industries. The recent increase in the basic wage was based on the increase of rent.

Mr. Davy: Based on the increase of rent!

The MINISTER FOR JUSTICE: I showed on the second reading that the average wage of every employee on the basic rate was 3s. greater than it would have been but for the increase of rent.

Mr. Davy: That has nothing to do with the production of wheat and wool.

The MINISTER FOR JUSTICE: If the hon. member had to bear the bombardment to which I am subjected with regard to railway transport charges, he would know all about it. We have to pay £70,000 a year extra to railway employees because rents have increased by 3s. a week in the last three years. If that continues for another five or six years, the Railway Department will be saddled with an extra charge of £300,000.

Mr. Angelo: How many of the railway employees live in Perth?

The MINISTER FOR JUSTICE: The Arbitration Court based the rate on the rental charges in Perth.

Mr. Davy: Almost entirely due to construction costs. You told us yourself that it cost £1,000 to get a house offering a minimum of comfort.

The MINISTER FOR JUSTICE: Only 9 per cent. of the houses in Perth and suburbs have been built during the last three years and yet the rent of the others has been increased.

Mr. Davy: Because their replacement value has been immensely increased.

The MINISTER FOR JUSTICE: The replacement value!

Mr. Davy: You cannot get away from it.

The MINISTER FOR JUSTICE: There is no reason why a substantially built place on which a reasonable amount is spent for repairs should need to be replaced for 50 or 60 years. There are many old houses in Newcastle-street and Adelaide-terrace.

The CHAIRMAN: The Minister should address his remarks to the Chair.

The MINISTER FOR JUSTICE: I am doing so.

Mr. Davy: It may cost £1,000 to build a new house when the other house has cost only £500.

The MINISTER FOR JUSTICE: Out of the 42,000 houses in the metropolitan area 35,000 have been erected over three years. The cost of building during the last 18 months has not affected any of these 35,000.

Mr. Davy: Yes, it has put up the value. You cannot stop it.

The MINISTER FOR JUSTICE: We are going to stop it by the Bill if we can.

Mr. Davy: But you cannot.

The MINISTER FOR JUSTICE: The average rents of these houses have increased by 3s. per week, without any justification. The hon. member may say the economic value is affected by replacement costs.

Mr. Davy: I do say so.

The MINISTER FOR JUSTICE: If people receive a generous return on their capital expenditure, there is no reason why they should try to get more out of the community. The Bill has nothing to do with window dressing or political propaganda. The inordinate rise in rents is having a detrimental effect upon the economic life of the community. When I look for the cause of this, I find from Mr. Justice Wise that it is due to the increase of 3s. per week in the house rents of Perth.

The CHAIRMAN: Will the Minister address his remarks to the Chair? If he will do so he will get through the business much more quickly.

The MINISTER FOR JUSTICE: We do not want this to be a rent-raising Bill. Before people can increase their rents, they should have to go to the court and get its approval. If the circumstances justify an increase, the court would be sure to allow it.

Mr. DAVY: The Minister has not told us what the subclause means. Apparently if a lessor does not get that rent which the Bill says he may, he cannot put it up unless he advances some fancy reason for doing so.

The Minister for Justice: Be fair; read the subclause.

The CHAIRMAN: I am not going to allow discussions across the Chamber. The hon. member must address the Chair.

Mr. DAVY: I have not to look at you all the time, have I, Sir?

The CHAIRMAN: The hon. member may look where he pleases for inspiration.

Mr. DAVY: The Minister has given some cases in which the lessor may apply for the right to put up his rent. He may accept a small rent in order to get a good tenant, and later on may desire to get the full rent. What does the subclause mean?

The Minister for Justice: It means what it says.

Mr. DAVY: Does it mean that there must be a just cause for an increase, not above the rent he is getting at the time of his application, but above some other rent?

The Minister for Justice: I cannot answer questions. The Chairman has got me bluffed.

The CHAIRMAN: If the Minister desires, he may reply to questions when he rises to speak.

Mr. DAVY: If a lessor has let his property he should not be given the opportunity to break his bargain. If an owner thinks he is not getting enough rent, why should he not put it up? He will not ever get too much.

The Minister for Justice: The Bill will stop him.

Mr. DAVY: No. If the rent is below the economic value, nothing in the Bill will prevent the owner from selling to someone else. The amendment does not improve the Bill, for that would be impossible. I hardly care whether it is passed or not.

Mr. SAMPSON: I wonder if the Minister has in view the possibility of fostering a local industry?

The CHAIRMAN: There is nothing in the Bill about local industry.

Mr. SAMPSON: When the time comes for an owner to get an increase in rent, he must apply to the court. This must mean adding to the number of officials in the Supreme Court, and to the number of magistrates to hear all these cases. A racing club may desire to increase its charge for admission.

Mr. Clydesdale: Why not a printing establishment?

Mr. SAMPSON: Before that increase is made, it would be just as reasonable to request those controlling the racecourse to approach the court as would be required in the case of a landlord.

Mr. Clydesdale: Does that apply to the amusement tax?

The CHAIRMAN: Order! I do not know whether the hon. member desires to be facetious or to make a joke of the Bill. He is not adding to the dignity of the Chamber by proceeding along these lines. I ask him to address himself to the subject matter before the Chair.

Mr. SAMPSON: I am justified in drawing the parallel that I have done.

The CHAIRMAN: It has nothing to do with the Bill.

Mr. SAMPSON: It is an analogous matter.

The CHAIRMAN: The hon. member is out of order in proceeding along these lines.

Mr. KENNEALLY: Hon. members opposite have contended that the Bill will prove a measure for raising rents. This clause provides against that. If the rent charged during the last three years was adequate, why should the effect of the clause be to raise rents? In deference to wishes expressed, the Minister has brought down amendments which will prevent the Bill from becoming a rent-raising measure; but members opposite adhere to their contention. The Bill is an instrument for stabilising rents. It will render justice to owners of premises, and prevent injustice to tenants. The workers obtain no benefit from the recent increase in the basic wage, since they are simply the agency through which the amount of the increase passes into the pockets of land owners. Here is

an opportunity to reduce costs of production by £600,000 annually. Members opposite should therefore support the clause.

Mr. DAVY: The hon. member begs the question. We say we believe this measure will not achieve its object, but eventually will prove a means of raising rents. The Bill will have the same effect as like measures have had in other countries, increasing the actual rent. In Sydney, we are told, the position in this respect is becoming chaotic, the less drastic Act of New South Wales, passed in 1916, having accentuated the difficulty. That Act, while keeping down the apparent rent, has caused the actual cost of rent to tenants to become exaggerated. A landlord desirous of raising rent may do so without going to the court. It is only when there is a prior determination that he cannot do it. The tenant must pay the increased rent until he has gone to the court and got it reduced. In any case, he cannot get it below the formula in the Bill. Therefore the clause is surplusage.

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

Progress reported.

BILL—ROAD DISTRICTS ACT AMENDMENT.

In Committee.

Resumed from the 10th September; Mr. Lambert in the Chair, the Minister for Agricultural Water Supplies in charge of the Bill.

Clause 8—Amendment of Section 23:

The CHAIRMAN: The member for Moore has moved an amendment, "That between 'and' and 'registered,' in line 3, there be inserted 'eligible to be'."

Mr. LINDSAY: Does the Minister accept the amendment?

The MINISTER FOR WATER SUPPLIES: I offer no opposition to it, as it improves the clause. The existing statute lays down the qualifications of a member, but does not provide that he shall be a ratepayer, or that his name shall appear on the electoral roll. I recognise the possibility that by a typographical error a ratepayer's name might be missing from the roll.

Mr. LINDSAY: That very thing occurred in my own case. Had the clause as

printed existed then, I would not have been allowed to take my seat.

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

Clauses 9 to 13—agreed to.

Clause 14—Amendment of Section 136:

Mr. LINDSAY: I agree with the clause generally, but the member for Moore has asked me to move an amendment to add to the clause the words "without remuneration."

The MINISTER FOR WATER SUPPLIES: There is an objection to the amendment. It is frequently found necessary to incur slight expense, more especially in the way of travelling. The board might wish to defray travelling expenses of members appointed under this clause. I hope the suggested amendment will not be moved.

Clause put and passed.

Clauses 15 to 18—agreed to.

Clause 19—Amendment of Section 155:

Mr. LINDSAY: Section 155 lays down that roads shall be not less than 66 feet in width. The effect of the paragraph will be that if the Minister permits, roads may be constructed less than 66ft. in width. I do not know why the Minister should desire to take that power. I move an amendment—

That paragraph (a) be struck out.

The MINISTER FOR WATER SUPPLIES: From time to time, it has been found necessary to resume land for the purpose of making short roads. In such circumstances the land has been fairly expensive and it is deemed desirable, in the interests of road boards themselves, to insert a provision enabling the consent of the Minister to be given to the construction of a road of less than 66ft. in width. No Minister would give his consent unless good and substantial reasons were forthcoming.

Amendment put and negatived.

Clause put and passed.

Clauses 20 to 23—agreed to.

Clause 24—Amendment of Section 160:

Mr. LINDSAY: I move an amendment—

That in paragraph (b) all the words after "land," in line 6, be struck out.

The portion I desire deleted will give local authorities power to hold agricultural shows. There is no desire on the part of local authorities to do that, nor do I think it desirable that such power should be given to them. Such shows are conducted by local agricultural societies.

THE MINISTER FOR WATER SUPPLIES: After listening to the remarks of the member for Toodyay, it seems a remarkable coincidence that one of the road boards that conduct agricultural shows is the Toodyay Road Board. Another is the Northampton Road Board. Apparently it has been found impossible to establish local agricultural societies, and evidently the local road boards have conducted them with success. It is for the purpose of meeting requirements of such boards that the provision has been inserted in the Bill.

MR. LINDSAY: I am surprised to hear the Minister's remarks regarding the Toodyay Road Board and I am perfectly certain he is wrong.

THE MINISTER FOR WATER SUPPLIES: That was the advice I received.

MR. LINDSAY: I have attended the Toodyay shows and have opened them. I have always been asked to do that by the president and secretary of the local agricultural society, neither of whom is a member of the road board.

THE MINISTER FOR WATER SUPPLIES: I am prepared to accept the hon. member's statement and to accept the amendment. In view of his statement regarding the Toodyay Road Board, there is no necessity for such a provision to meet the requirements of one road board only.

Amendment put and passed.

MR. SAMPSON: I appreciate the inclusion of paragraph (e), which will prohibit the closing of any road by a local authority for more than 28 days or for periods aggregating more than 28 days in any 12 months, without the written consent of the Minister. It will be remembered that the Belmont Road Board closed the Belmont-Maida Vale road for a long time, and there was no power to compel the board to open the road. Paragraph (e) will prevent a similar fiasco in future.

MR. LINDSAY: I move an amendment—

That a new paragraph, to stand as paragraph (f), be inserted as follows:—“(f) By the addition of a new paragraph to stand as

paragraph 20 (a) as follows:—“Subsidise any agricultural society within its boundaries, subject to the discretion of the Minister, up to a sum not exceeding in the aggregate three per centum of its general revenue.”

Usually local governing bodies become the trustees for the recreation grounds in their particular districts and they assist in the direction of erecting buildings and so forth for agricultural shows. There are some road boards, however, that are not trustees for their recreation grounds and they are unable to assist the local agricultural society. The amendment will obviate that difficulty.

THE MINISTER FOR WATER SUPPLIES: It is not my intention to oppose the amendment. Representations made since the Bill was drafted have indicated the necessity for such a provision.

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

Clauses 25 to 29—agreed to.

Clause 30—Amendment of Section 196:

MR. LINDSAY: The select committee recommended the inclusion in the Road Districts Act of a provision to empower local authorities to deal with bowsters and tanks. Paragraph 46 (b) gives effect to that recommendation, but goes beyond what was recommended, in that it will enable the local authority to provide bowsters and so permit of competition with local people. That was not intended by the select committee who merely desired the local authorities to have control over the provision and distribution of petrol supplies in their locality. I move an amendment—

That in line 1 of paragraph 46 (b) the words “to provide or” be struck out.

MR. SAMPSON: I know that some of the boards are considering the provision of bowsters for their own use. With so many vehicles owned and used by the local authorities, this is very desirable. I am not sure whether this will give power to the local authorities to enter into trade. Personally I do not think it does.

THE MINISTER FOR WATER SUPPLIES: The road boards to-day use motor tractors and motor trucks in carrying out their work of constructing and maintaining roads. The clause is merely for the purpose of enabling them to have their own petrol supplies. At the same time it provides that the local authorities shall control the erection and maintenance of bowsters

Mr. Sampson: It does not give them power to trade in petrol?

The MINISTER FOR WATER SUPPLIES: No, it simply gives them power to provide their own supplies.

Mr. LINDSAY: In view of the Minister's assurance, I will withdraw the amendment.

Amendment, by leave, withdrawn.

Clause put and passed.

Clause 31—Insertion of section after Section 196:

Mr. SAMPSON: I want to thank the Minister for having inserted this provision.

The CHAIRMAN: The hon. member would have done better to take advantage of the second reading to pay compliments to the Minister. They are a little out of place during the Committee stage.

Clause put and passed.

Clauses 32 to 34—agreed to.

Clause 35—Repeal of Section 233 and substitution of new section:

Mr. SAMPSON: I have been asked by the Metropolitan Local Government Association to move an amendment to this clause, which provides for a maximum rate of 9d. I move an amendment—

That in line 5 of Subclause 2 "rural" be struck out.

This is with the object of paving the way to a further amendment to strike out "ninepence" and substitute "sixpence." It is desired that the maximum shall be uniform.

The MINISTER FOR WATER SUPPLIES: I cannot accept the amendment. The provision is to increase the rate from 6d. to 9d. on the application of a road board and with the approval of the Minister. What is the desire of the association for whom the member is moving in asking to restrict it to any one particular district? Is it not better to have the clause in its general application throughout the State? What the hon. member desires can be done now in prescribed areas, for it would rest with any local authority to approach the Minister for the right to rate up to a maximum of 9d.

Mr. Withers: Would the ratepayers have opportunity to object to that?

The MINISTER FOR WATER SUPPLIES: Yes, for the necessary machinery is provided under the Act. I think the association alluded to has taken a short-sighted view of the position.

Mr. SAMPSON: Under the clause it will be competent for boards in the metropolitan area to rate up to 9d., whereas hitherto the maximum rate has been 6d., and that only with the consent of the Minister. The desire of the association is that the maximum rate shall be uniform throughout the State.

Amendment put and negatived.

Clause put and passed.

Clauses 36 to 39—agreed to.

[Mr. Angelo took the Chair.]

Clause 40—Amendment of Section 243:

Mr. LINDSAY: I am going to move to delete this clause. It deals with appeals against valuations and seeks to amend Section 242 of the principal Act. Local authorities when they have sent out their assessment notices must appoint a revision court to receive appeals against the valuations. Most of the local authorities accept the valuations of the Commissioner of Taxation, but those valuations are not always regarded as reasonable. In consequence, when appeals are made to the local authorities the Commissioner of Taxation sends up an officer of the department to help the court. After the evidence has been heard, the court adjourns and the departmental officer inspects the blocks. Very often he reduces the valuation. If a ratepayer considers that the valuation of his property is too high, he cannot appeal if the Minister has accepted the valuation of the Commissioner of Taxation. A ratepayer at Wyalkatchem appealed against his valuations. The Commissioner of Taxation was represented by an officer who examined the blocks, the valuations of some of which were reduced. That shows that the Commissioner's officers are not infallible. It is not right that the Minister should be able to override the present law and prevent ratepayers from appealing to the local court. Therefore I shall oppose the clause.

Progress reported.

House adjourned at 10.14 p.m.