

HOUSE OF ASSEMBLY.

Tuesday, October 15, 1957.

The SPEAKER (Hon. B. H. Teusner) took the Chair at 2 p.m. and read prayers.

QUESTIONS.**SNOWY RIVER WATERS AGREEMENT.**

Mr. O'HALLORAN—According to this morning's press a letter has been received from the Prime Minister concerning the Snowy River Waters Agreement dispute. Can the Premier say whether that communication takes the matter further than members already know or indicates whether South Australia's interests under the River Murray Waters Agreement will be conserved?

The Hon. Sir THOMAS PLAYFORD—During the weekend I received a two-page letter from the Prime Minister, the last paragraph of which stated that the letter had been forwarded without prejudice and referring to the exploratory conference in Canberra, when it was agreed that no statements would be issued to the public. I sent a telegram to the Prime Minister asking whether that meant that his letter was confidential, because as such it has little value. I am expecting an answer today and I may then be in a position to inform the House of the contents of the letter.

DIESEL TRANSPORT.

Mr. BOCKELBERG—Can the Premier indicate what steps are being taken to reduce the registration fees on diesel trucks used by primary producers and what must be done to obtain diesel fuel for tractors and other equipment used in primary production?

The Hon. Sir THOMAS PLAYFORD—The second matter comes under Federal jurisdiction. The new tax is being imposed by the Commonwealth, but I understand there will be a system whereby primary producers and others not using roads may get a rebate. Concerning the first part of the question, legislation was passed in this House last week dealing with the registration of motor vehicles.

FIREWORKS NUISANCE.

Mr. FRANK WALSH—At present fireworks are readily available for purchase and I understand that in some localities nuisance is arising from their use. In view of the provisions of the Police Offences Act, will the Premier have published an announcement to the effect that it is an offence to light crackers in streets and advising people, when any nuisance occurs,

to communicate with police headquarters in order to secure protection?

The Hon. Sir THOMAS PLAYFORD—I will discuss the matter with the Police Commissioner to see if it is necessary to take any action. Any person who creates a public nuisance at any time is subject to police prosecution, but the observance of Guy Fawkes' Day is an ancient British tradition, and we do not want to be over-repressive.

DURATION OF SESSION.

Mr. HEASLIP—In an article appearing in last Friday's *News* the member for Hindmarsh (Mr. Hutchens) stated that Parliament was not sitting long enough to enable private members to represent their electorates. In view of the fact that he was absent on eight of the 32 sitting days mentioned, and the further fact that he referred to globe trotting members, one of whom was unanimously elected from this Parliament to represent the Commonwealth Parliamentary Association, and the other will not leave South Australia until December, is the member for Hindmarsh's statement fair or factual?

The Hon. Sir THOMAS PLAYFORD—I did not see the statement, but I assure members that the House will continue sitting as long as there is profitable business to conduct. That is the determining factor. The House may re-assemble early in the New Year after the Christmas vacation, but I am not yet in a position to make an official statement on that.

PRICE OF MEAT MEAL.

Mr. BYWATERS—Has the Premier a reply to my recent question concerning the high price of meat meal?

The Hon. Sir THOMAS PLAYFORD—The reply is not yet to hand. I point out that the Prices Branch does not normally supply replies until it has thoroughly investigated all circumstances. It sometimes takes time to secure the necessary information for furnishing a report. The reply will be available as soon as the Prices Commissioner has finalized his report.

DAIRY RESEARCH IN SOUTH-EAST.

Mr. HARDING—Last year three members waited on the Minister of Agriculture on behalf of the South-East Dairymen's Association. They were Messrs. Fletcher, Corcoran and Harding, Ms.P. I now refer to a letter to the Minister asking for a research area to be established in the South-East. It deals with

eight serious problems or diseases facing dairymen in this State. Will the Minister keep the three members of Parliament who are interested in this on behalf of dairymen's organizations informed of any correspondence or action taken or proposed for the establishment of a dairy research centre in this State?

The Hon. G. G. PEARSON—When first approached on this matter I asked the members of the deputation to ascertain from their constituents in the South-East the particular matters on which they desired research to be undertaken. I now have the letter to which the honourable member refers and in which certain specific matters have been raised, and am having the proposal examined. I will keep the representatives of those districts informed on what progress is made in respect of this application.

COURT SENTENCE ON BOY.

Mr. LOVEDAY—A recent issue of the *Advertiser* reported that a 12-year-old child had been sentenced to 15 strokes of the whip, and today's *Advertiser* contains a letter stating the sentence was ill-advised and signed by two medical practitioners, the rector of St. Paul's Church (Port Adelaide), and a child psychologist. Will the Minister representing the Attorney-General ask his colleague to ascertain whether a more intelligent and less barbaric sentence could be passed on the boy's offence and to advise the House whether a more suitable form of punishment cannot be devised for future cases?

The Hon. B. PATTINSON—I will discuss the matter with my colleague, and ask him to bring down a reply.

MOUNT BARKER WATER SHORTAGE.

Mr. SHANNON—Mount Barker is in the throes of a serious water shortage, which will continue during the coming summer. In fact, the local council is perturbed about what would happen in the area if a fire broke out. I understand that local councils have been in touch with the Engineer-in-Chief on this problem, but it is of considerable interest to people other than the local councils, particularly as some residents of the area depend on this supply, not only for their gardens, but also for domestic use such as the operation of septic tanks. In answering the question, can the Minister also indicate the programme to be followed regarding the completion of the Onkaparinga Valley water scheme linking the supply with the Mannum-Adelaide pipeline and say when it is likely to be completed, as this

is the only answer to the water shortage in this part of the hills?

The Hon. Sir MALCOLM McINTOSH—Immediately it was believed that the two bores from which the Mount Barker supply had been supplemented would not be available this summer, arrangements were made for the department to sink a bore on a site chosen by the Mines Department. Boring is proceeding, is down to 34ft., and water is expected to be reached at about 200ft. The two bores that previously helped supplement the big departmental bore gave a supply of only 4,000 gallons an hour, and it is hoped that the bigger bore being put down now will more than replace it. If that is not possible we still hope that the hospital authorities may allow portion of their supply to be made available to the township and overtures will be made in that direction. As soon as the result of the boring is known I will make it available to the honourable member, who in turn can let his constituents know. Everything has been done that can be done to overcome the period of drought experienced in Mount Barker and other parts of the State.

The Onkaparinga Valley scheme is a vast scheme involving some hundreds of thousands of pounds, and present indications are that it may be 1960 before the work is completed. It depends on the availability of Loan Funds in any particular year. That is the aim of the department: not later than 1960. In the meantime every effort will be made to maintain the water supply to Mount Barker. The district engineer tells me that even if the hospital bore were not available he hoped one or two private bores might be, which the department would harness to the Mount Barker scheme.

WALLAROO OVERWAY BRIDGE.

Mr. HUGHES—In connection with the bulk-handling installation at Wallaroo it was necessary to close the overway bridge because the cliff face was cut back. This bridge was previously used extensively by men working on the waterfront. Now the Harbors Board has closed the road that was used by the men after the bridge was closed and these men have no alternative but to travel a mile or more out of their way going to and returning from their work. I understand the work is complete for this section of the bridge to be replaced. Can the Minister representing the Minister of Railways say when the bridge will be connected, and if not, will he ascertain whether the work can be attended to as soon as possible?

The Hon. Sir MALCOLM McINTOSH—I will take up the question with my colleague and bring down a reply as soon as possible.

ADELAIDE HILL ROAD.

Mr. JENKINS—Has the Minister representing the Minister of Roads a reply to my recent question concerning that section of the Adelaide Hill Road between the Mount Compass turnoff and the Goolwa township?

The Hon. Sir MALCOLM McINTOSH—I have received the following information from my colleague:—

The Commissioner of Highways advises that assuming the member's question refers to the Adelaide Hill section of the Mount Compass-Goolwa district road, the work was discontinued because the acquisition of certain sections from the estate of H. W. D. Higgins could not be finalized. It is proposed to carry on with the work when the acquisition has been completed.

ELECTRICITY TRUST APPLIANCES.

Mr. CORCORAN—A statement appeared in *Saturday's Advertiser* that the Electricity Trust intended to suspend its hiring out of electric stoves, and that new stoves would be sold on terms, but that it would continue to hire out water heaters, wash boilers, and bath heaters. Can the Premier say whether the trust intends to sell electrical appliances other than those I have mentioned, and to enter into competition with private enterprise?

The Hon. Sir THOMAS PLAYFORD—For many years the trust has been hiring out stoves and charging a monthly rental, but that business has been unprofitable, and it now proposes to make stoves available at a low purchase price on a time payment basis. It does not propose to alter any of its other proceedings.

FRUIT FLY CONTROL.

Mr. KING—Can the Minister of Agriculture say what will be the Government's policy regarding the maintenance of a road block at Yamba against the introduction of fruit fly, especially as the fruit harvest is approaching?

The Hon. G. G. PEARSON—This matter has been under my constant review, and I have had several discussions with departmental officers. It seems to be generally agreed that it will be necessary to retain the road block during the coming summer to make sure, as far as we can, that no fruit fly is introduced into the River Murray areas and possibly other parts of the State. Its effectiveness has been demonstrated by the fact that infected tropical fruits

have been detected coming into the State, and therefore the policy will be to maintain the road block.

ACQUISITION OF LAND IN THE SOUTH-EAST.

Mr. QUIRKE—Has the Minister of Lands a reply to my question of last week regarding the amount of land acquired in the Western Division of the South-East since the passing of the Land Settlement Act in 1948?

The Hon. C. S. HINCKS—I have received the following report from the Director of Lands:—

The information required by Mr. Quirke necessitates a lot of searching through the records of land purchases to ascertain correctly which areas are located in the Western Division of the S.E. and also within the area south of drains K and L. It may take days to complete the investigations. I will furnish the information as soon as it is available.

HENLEY-GRANGE RAILWAY.

Mr. FRED WALSH—About six years ago the Public Works Committee recommended the acquisition of a strip of land just east of the built up area between Grange and Henley Beach for a railway, and removal of the railway line from Military Road between Grange and Henley Beach. Since then there have been changes in transport. Buses have replaced trams to Henley Beach and about July 1 the railway to Henley Beach ceased to run. This has caused much concern to residents, particularly those who previously used the railways, and I have been asked to ascertain what are the Government's intentions regarding the implementation of the original plan to construct a railway from Grange to Henley Beach on the land acquired for that purpose.

The Hon. Sir MALCOLM McINTOSH—I will ask my colleague, the Minister of Railways, for a reply and bring it down as soon as possible.

BORE CASING.

Mr. O'HALLORAN—A few moments ago I was informed by a boring contractor engaged in country work that he finds it practically impossible to obtain boring casing, and on approaching those who trade in it in S.A. he was told that supplies on hand and coming forward have been ear-marked for the Mines Department a considerable period ahead. Can the Treasurer say whether that statement is correct, and whether there is any control over

boring casing in S.A. at the moment? Boring contractors require supplies to carry out their obligations to rural clients.

The Hon. Sir THOMAS PLAYFORD—The Government does buy large quantities of boring casing for the Mines Department, and it may be that at present we have a number of outstanding orders and supplies coming forward. There is no control over boring casing. If anyone is in difficulty regarding supplies and can produce satisfactory evidence to the Director of Mines that he has submitted an order and will be able in due course to replace any casing borrowed from the department, I will ask the Director whether some can be made available to enable the work to proceed.

AGRICULTURAL LIME.

Mr. HARDING—Recently great prominence has been given by Government authorities to the value of applying agricultural lime spread over 1,000,000 acres in the South-East. The price varies considerably. I understand that in Adelaide it is about £7 7s. a ton, in Mount Gambier £5 10s., and in Geelong £3. Will the Minister of Agriculture inquire why the price varies from place to place, and also get analyses of the lime obtained?

The Hon. G. G. PEARSON—Yes. This matter was first brought to my notice when I visited Bordertown a week ago to open a show there, and I found that the quotes varied substantially in accordance with the figures the honourable member has just stated.

Mr. Quirke—Are these prices for ground limestone?

The Hon. G. G. PEARSON—Yes. I understand that the prices bear some relationship to the source of supply. I am very interested in this question and will obtain the information the honourable member requires.

CONSERVATION OF WATER SUPPLIES.

Mr. KING—In view of the high cost of pumping water into metropolitan reservoirs, can the Minister of Works say whether it would be practicable to use Commonwealth Scientific and Industrial Research Organization methods, which have been successfully used in reducing evaporation in dams in the outback, to conserve metropolitan supplies?

The Hon. Sir MALCOLM McINTOSH—The unfortunate position is that without the pumping of water into metropolitan reservoirs there would be none there to conserve, and it is rather late to consider the honourable member's question in connection with this year's crisis. I have noted with much interest what

has been suggested, but up to the present I do not think that method has been tried anywhere on the gigantic scale that would be required for the huge reservoirs we have built and are building. However, I will take up the question with the Engineer-in-Chief and get his views on the feasibility of applying it in the future. Pumping must continue at present to maintain Adelaide's supplies, and even the supplies to the Warren district, if we are to have anything like an adequate supply of water.

ELECTORAL EXPENSES.

Mr. QUIRKE—When speaking on the Estimates I asked the Treasurer whether there was any possibility of relieving members of Parliament of the obligation to fill in electoral expenses returns. Has he a reply?

The Hon. Sir THOMAS PLAYFORD—I have received the following report from the Returning Officer:—

The Electoral Act Amendment Act of 1955, amongst other things, increased the maximum amount of electoral expenditure which a candidate may lawfully incur or authorize. This Act doubled the amount previously allowed, and now a candidate may incur up to £100, plus £10 additional for every 200 electors on the roll above 2,000. All candidates are obliged to complete an itemized return of electoral expenses, including money received and paid, and all amounts paid over £2 must be vouched for by a bill of particulars and a receipt. In actual practice a candidate may pay some or all of his own expenses, and a political party, or a local committee the balance. The consequence is it is sometimes difficult for a candidate to satisfy the Electoral Department with a detailed return together with bills of particulars because the bills and receipts are held by some other body or committee. If the Government should contemplate any alteration to the return of candidates electoral expenses, I suggest that this difficulty may be overcome by each candidate making a declaration in the presence of a J.P. that he has not incurred or authorized in respect of his candidature an amount in excess of that allowed by the Act. This may become a matter of Government policy.

Mr. O'Halloran—It may become a matter of taxation policy, too.

The Hon. Sir THOMAS PLAYFORD—Yes. I would be pleased to have the views of the Leader of the Opposition or any other member, on this matter, which particularly concerns members of Parliament.

BRANDS ACT AMENDMENT BILL.

Read a third time and passed.

DAIRY INDUSTRY ACT AMENDMENT BILL.

The Hon. G. G. PEARSON (Minister of Agriculture) moved—

That the Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole for the purpose of considering the following resolution:—

That it is desirable to introduce a Bill for an Act to amend the Dairy Industry Act, 1928-1942.

Motion carried.

Resolution agreed to in Committee and adopted by the House. Bill introduced and read a first time.

LANDLORD AND TENANT (CONTROL OF RENTS) ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 10. Page 1033).

Mr. HAMBOUR (Light)—I support the Bill because it helps those who cannot help themselves. I am conscious that there are people who would be in difficulties if we did not support the Bill, but unfortunately this legislation contains many anomalies. The member for Norwood (Mr. Dunstan) referred to several. Our difficulty is in finding out how to give satisfaction to all. I do not agree that this legislation should exist to keep wage costs down. New houses are being constructed and occupied by people paying rents far in excess of those fixed by the Bill. The landlord for whom I am concerned is the man who is dependent on the income he receives from homes he owns. The proposed increase in rents is not particularly generous, although I must accept it. There is a great difference in the rents of homes built by the Housing Trust—a Government instrumentality—and those of other homes. There should be some relationship between them. There are between 5,000 and 6,000 applicants for rented homes and I would be interested to know the method of allocating homes—whether they are allocated first to people financially able to make other arrangements for their accommodation or whether to those not so fortunate. If rental homes are being allocated to the former, we should endeavour to legislate so that they will provide homes for themselves. A trust home should not be rented to a person financially able to purchase a home. I do not know whether an applicant for a rental home has to reveal his financial position and whether he is in a position to purchase a home, but he should do so.

Many tenants are financially better off than their landlords, and this legislation allows them to laugh up their sleeves at a situation whereby they can secure homes on the cheap. Such a situation reduces the incentive of people to build for themselves and that is one of the worst features of the legislation. Mr. Dunstan referred at length to rent increases since the introduction of this legislation. We should be realistic in our consideration of these increases. He argued that the actual increase was much greater than 17½ per cent. That is perfectly true of the actual rent paid, but it is not true to say that the landlord receives more than 17½ per cent because his outgoings are much greater than they were.

Mr. Lawn—All outgoings are permitted.

Mr. HAMBOUR—But they have to be spread over a period of years. In other words, the landlord has to lay out the capital and must get some increase in rental to allow for the increases in capital costs, but the amount he receives is not nearly in proportion to the increase in the capital value of the property he is letting. According to this legislation, if a man were letting a house in 1939 for £1 a week and he spent no money on it the maximum amount he would receive as rent today would be £1 8s. That is fantastic. We should relate the 1939 rent and the present rent to the wages in 1939 and today. Do members opposite suggest there is any relationship between the two?

Mr. Lawn—What would be a fair rent for such premises?

Mr. HAMBOUR—A fair rent should be equated to the rental of trust homes. The trust lets houses at between £3 and £3 15s. a week. That would be a reasonable basis on which to determine all rentals.

Mr. Davis—It would not be a good house if it were let for £1 a week in 1939.

Mr. HAMBOUR—The member for Port Pirie brought his one idea out of solitary confinement the other night in opposing the Bill. That was a major error, for which I excuse him, but I suggest in all sincerity that he restrict his remarks on this Bill, because his contribution up to the present has not been particularly good. A fair rental for the home rented in 1939 at £1 a week would be what the trust accepts for its homes.

Mr. Lawn—Irrrespective of capital cost?

Mr. HAMBOUR—Yes. If the member for Adelaide had a home he purchased for £1,000 in 1939 he would not sell it for that today, but would want its present-day value of between

£3,000 and £3,500. Are we to penalize landlords? We give them the right to sell at today's value, but that is not the point because many do not want to sell: they want a reasonable return from their capital investment.

Mr. Davis—What about the homes that were old in 1939?

Mr. HAMBOUR—They have a value that can be assessed. Irrespective of the article—whether it be a house or a motor car—the older it is the less its value. However, the value of a house should be related to the trust values of today. The main question is whether we are prepared to accept the principle of allowing the landlord a reasonable amount in return for what he has. I consider reasonable rents to be those fixed by the Housing Trust for its own homes. If such rents were fixed for other homes many anomalies would be removed.

The member for Norwood (Mr. Dunstan) admits certain anomalies, but he is not prepared to grant this meagre increase in rent from 33½ per cent to 40 per cent. He is not consistent in his attitude, for if he admits that people are hard done by, surely he must admit that they are entitled to a little more, and they are getting very little under this Bill.

The member for Mitcham (Mr. Millhouse) said he opposed the Bill in principle, but unfortunately he did not offer any alternative. I point out, however, that we cannot oppose Bills on principle: we must be factual and analyse their effect on the community. I must disagree with him, although I would welcome any contribution that would help solve this problem.

The member for Stuart (Mr. Riches) claimed that we would not get houses built by any other method than through the Housing Trust, and I think he has said—although not in this House—that he would not advise anybody to build his own home. The member for Port Pirie (Mr. Davis) said that the purchaser of a house would have a rope tied around his neck for the rest of his life.

Mr. Davis—I said it would cost about £5,000.

Mr. HAMBOUR—Yes, and that it would tie a rope around the purchaser's neck for the rest of his life. Then the member for Gawler (Mr. Clark) said, "Not only around their necks, but around their children's necks as well." If we are to accept that, however, I am afraid we will not solve this problem. If members opposite advise people not to buy or build their own homes, that does not help

the situation. I would like to see an entirely different approach: they should encourage people to buy or build their homes. Under the arrangement by which Loan moneys come to this State 45 years is allowed for the repayment of the debt on a purchase home, and 53 years in the case of a rental home, and if members opposite analyse those two schemes they will see that the weekly contribution for the purchase home is not much more than that for the rental home.

Let us compare the security enjoyed by the tenant of a rental home with that enjoyed by the occupant of a purchase home, no matter how small the deposit he pays. In the event of the tenant being financially embarrassed and unable to pay his rent, what solution has the Opposition to offer? Do members opposite expect the landlord to go without his rent? Surely members opposite will admit that if a tenant cannot pay his rent he should not occupy the house, whereas for the small additional payment required for ownership the purchaser has greater security of tenure. Moratoriums have been provided in the past and if things get difficult again we would have them in the future. Under such arrangement a man buying his own home would be protected and have some equity in the property to safeguard his interest. Any Parliament would help protect his equity, but what solution have members opposite to offer in the case of a tenant who cannot pay his rent?

Mr. Lawn—There is an answer to that: provide full employment and do not support the policy you advocate, an unemployment pool of 7½ per cent.

Mr. HAMBOUR—When the member for Adelaide speaks he may answer my question on how we can keep people in houses when they cannot or refuse to pay their rent. At the moment, however, he is bringing in another matter—an unemployment pool. We have had full employment here.

Mr. Fred Walsh—Where would you put them? On the street?

Mr. HAMBOUR—That remark is most unjustified, for I have never put anyone in the street in my life. I had a tenant occupying a home for 12 months without paying rent, and he did not pay even when he left, so the member for Thebarton will realize where I stand on this matter. What is the use of increasing the rent if the tenant cannot afford to pay? In Loxton I own a property on which the district council rates exceeded the rent. To raise the rent in those circumstances would have been ridiculous, for the woman tenant

would have been unable to pay £2 a week if she could not pay £1 and she would only have owed me twice as much.

I would like to see leaders of the community in this House encourage people to build or buy their own homes. They should not argue against the purchase of homes as has been done by more than one member opposite. For instance, Mr. Riches has made similar statements to me personally; Mr. Clark, by interjection, said he was not happy about people purchasing their homes; Mr. Davis said he did not like the idea either. That attitude must be changed completely if members opposite hope to overcome the present situation.

Mr. Lawn—What about pensioners?

Mr. HAMBOUR—I am as sympathetic as the honourable member toward pensioners and I think the only justification for the Housing Trust is the building of homes for those who cannot help themselves. The trust, however, is not doing that today: it is building houses for anybody. Let us confine our attention to those who cannot help themselves.

Mr. Lawn—What about home purchasers who find they cannot pay their rates and taxes when they become pensioners? This Government will not allow councils to strike a special rate for pensioners.

Mr. HAMBOUR—A person who purchases a home and later goes on to the pension is no worse off than the tenant of a rental home, because he, too, has a fixed weekly commitment.

The commitment of a purchaser cannot be increased, whereas that of the tenant of a rental home may be, and the difference is overcome by the gradual inflationary trend that has occurred throughout the world since time immemorial. As time goes on the currency becomes inflated, and purchase gives a greater degree of security to the occupier than renting.

Mr. Fred Walsh—What happened to the value of the currency during the depression?

Mr. HAMBOUR—Admittedly, wages were restricted.

Mr. Fred Walsh—No, they were reduced according to the cost of living.

Mr. HAMBOUR—Then wages were reduced, but it was not very long before they galloped back to their pre-depression level. It is a weak argument for the Opposition to say that a purchaser of a home will lose his equity in it because of any increase in the value of money. That situation could arise for anybody.

Mr. Bywaters—What would you consider a fair deposit on a house?

Mr. HAMBOUR—Ten per cent of the purchase price.

Mr. Bywaters—Say, £300 on a £3,000 house?

Mr. HAMBOUR—Possibly.

Mr. Bywaters—Where would a prospective purchaser get those terms?

Mr. Hambour—The Treasurer recently introduced a Bill increasing the maximum Savings Bank mortgage to £2,250 and the Housing Trust is maintaining its policy of providing a second mortgage.

Mr. Bywaters—You still cannot get a home for £300 deposit.

Mr. HAMBOUR—I am not concerned with what has happened in the past: I am saying how I would deal with this Bill. It is argued that a workman cannot save £300. Anyone on the basic wage would find it hard to save anything, but it is estimated that the average earnings are more than £17 a week.

Mr. Jennings—Not of the average person.

Mr. HAMBOUR—Today the average Australian is becoming softer and softer, and the more the Government contributes to his financial arrangements the softer he will get. I think Lord Nuffield last year made a profound statement which could apply to this country when he said:—

The nation which wishes to go into semi-retirement in this competitive world must abandon all hope of progress.

Surely we are not going to let that apply to us, but I am afraid there is a tendency in this country for people to go into semi-retirement. It is wrong that the Housing Trust is the body that fixes rents. It is not consistent, but it can operate only in accordance with the Act, and not in accordance with what it believes to be fair rents. There should be an independent committee to analyse the position of the tenant, and if he is in a position to pay more he should be made to. I do not believe the landlord should be subject to a low rental if the tenant is in a position to pay more. I am all for trying to assist those who cannot help themselves, but I know of people receiving more than £2,000 a year who rent homes because it is the better economic proposition under rent control. We should look a little to the future. I believe the solution of the housing problem lies in the saving of money. That seems old-fashioned today: it does not seem necessary for anyone to save. A person up against it appears to get the best treatment. That is completely wrong. Mr. Jennings and Mr. Dunstan smile. It suits them for people to have no money, because that is the only way

they can get supporters. There was a smirk on their faces as I mentioned the saving of money.

Mr. DUNSTAN—There was a smirk on my face when the honourable member said that those who were up against it got the best treatment, but his other remark was a filthy one, and I want a withdrawal. It was a most unparliamentary and improper thing for a member to imply.

The SPEAKER—It is for the Speaker to determine whether a statement is unparliamentary. The honourable member for Norwood objects to the statement, and I ask the member for Light to withdraw.

Mr. HAMBOUR—What part of the statement?

Mr. Dunstan—The statement that it suits Mr. Jennings and myself to have people poor.

Mr. HAMBOUR—I withdraw. I think that everyone should lend what support he can to encouraging the admirable trait of saving money, which seems to be non-existent today. Unfortunately, many things which young people want, such as motor bikes and motor cars, are offered on easy terms. It is about time we encouraged them into the right line. Last year I suggested that the Housing Trust should set up an account for a free payment bank for contributions towards the purchase of homes. Young people starting work at 15 or 16 should be encouraged to pay money into the Housing Trust towards their future homes. Then they would have no trouble, on reaching the age of marriage at from 23 to 25 years, in finding a deposit. It is all very well to make that statement here, but it would require much co-operation from employers, which I think could be obtained. The trust could issue certificates, like war savings certificates, for denominations of from £1 to £5, and by seeking the support of employers I think we could encourage many young people to pay money into a fund for their future home. It might take from five or 10 years to get sufficient for a deposit. The longer they remained single the more would their deposit accumulate. I think many young people would be prepared to contribute to such a scheme, and I believe many employers would lend a hand to the trust in an endeavour to build up a fund which would provide it with capital. The contributors could be paid interest on the money. In that way we might get a better attitude from people toward owning their homes. I am disappointed with the attitude of most people on the subject. They seem to favour a rented home, and not

to worry about purchase. I rose in the hope of making a contribution to the debate, and I am sorry if I offended any members. They can be just as provocative as I can. I hope that those who speak on the Bill will offer some means of overcoming what I consider is at present an impossible situation.

Mr. JENNINGS (Enfield)—I support the second reading, but I support the Bill only in patches, because it is good only in patches. I am anxious that it should pass the second reading so that the tendency for protection can be extended for a further 12 months. I must refer to the rather apologetic introduction by the Treasurer. We can sympathize with him in enunciating a political principle in which he does not believe. In his speech he said that—

The SPEAKER—Order! I think the honourable member is treading on very dangerous grounds when he accuses another honourable member of enunciating a political principle in which he does not believe, and I therefore ask him to withdraw.

Mr. JENNINGS—I withdraw.

The SPEAKER—I think honourable members should realize that those who have been elected to this Chamber are sincere. At least I have always felt that they are sincere in the views they hold and the principles they enunciate, and I think the honourable member is going a little too far in saying that an honourable member does not believe in certain principles.

Mr. JENNINGS—I withdrew. Apparently I have been misled by the words appearing in L.C.L. advertisements and the things it believes in.

The SPEAKER—I ask the honourable member not to pursue that line and to come back to the Bill.

Mr. JENNINGS—In introducing the Bill the Premier used words like these:—

I think the housing position has eased substantially by virtue of the house building rate, which has kept up in South Australia.

That was an apology for a weakening of the provisions of this legislation over the last few years. I believe that members of the House are now more apt to check up on his statements than just accept them at their face value. Let us see whether the housing position has substantially eased and whether the building rate has kept up in South Australia. I will quote the official report of the Housing Trust. In 1951 throughout the State it built 3,059 houses; in 1952, 3,188; in 1953, 4,126; in 1954, 3,555; in 1955, 3,268 and in 1956,

3,238. For the year ended June 30 last the figures are not yet available, but the *Statesman's Pocket Year Book* shows that for the period April 1, 1956, to March 31, 1957, there were only 3,220 homes built. So, since the year ended June 30, 1953, the yearly building rate had dropped from 4,126 to 3,220. There was a decrease in four successive years up to March 31, 1957. Therefore, how could the Premier justify his statement that the housing position has substantially eased in South Australia and the building rate has kept up, particularly as further on in his second reading speech, presumably in justification of an extension of the legislation for another year, he said:—

During the last financial year the trust received 5,417 applications for rental houses and 1,720 applications for emergency homes, and in addition 2,547 applications for purchase homes.

Thus during the last financial year there were about 10,000 new applications to the Housing Trust for various types of homes, but the trust built only about 3,200 houses. That provides us with a good reason for continuing this legislation. It should not be continued for one year at a time, but should become a permanent feature of the Statute Book. Instead of emasculating the legislation, as has been done during the past few years, it should be strengthened so that people cannot be exploited by the serious housing shortage. The position has become worse since the end of the war, and it will get even worse because fewer homes are being built and our population is increasing through migration. I am glad the legislation is being tightened up to eliminate the loopholes that were created by legislation passed last year and the year before. I do not think I have ever heard the member for Mitcham (Mr. Millhouse) speaking at such disadvantage as he did in this debate. I think he came here masquerading as an apostle of private enterprise.

Mr. Lawn—Don't you think he would be more suitable for the Legislative Council?

Mr. JENNINGS—He is not old enough. As he represents the district of Mitcham he believes he is in duty bound to adopt an ultra-conservative attitude to every measure brought before the House, but I think his experience here has convinced him that controls of this kind, whether he likes them or not, are necessary to afford some sort of rough and ready justice to the public. That put him at such serious disadvantage that for the first time since he has been here he got his college boy

debating gesticulations out of chronological order.

Mr. Brookman—Why get so personal?

Mr. JENNINGS—I am not. I am merely pointing out that the member for Mitcham was gravely upset in having to put the case that he put in this debate. He resorted to the old argument that is advanced when any attempt is made to interfere with the rights and privileges of the landlord or shareholder class. He spoke of the poor widows and orphans, and said that a widow owning a home would be affected by this legislation.

Mr. Dunstan—He would not answer my question about section 55b.

Mr. JENNINGS—The member for Norwood pertinently interjected that the widows could avail themselves of section 55b, but the member for Mitcham said he would not go into details, but would confine his remarks to general aspects of the Bill. He would not reply to the member for Norwood because the interjection completely exploded the case he was trying to make. When the member for Norwood was speaking he admitted, as I admit, that this legislation undoubtedly imposes some hardship on some people, but even the Premier has admitted that hard-luck cases make bad laws. We must continue this legislation in the interests of the great majority of the people. Every day I am approached by people in housing trouble, and this legislation gives some slight protection to tenants who could not get other accommodation if they were ejected.

The member for Mitcham referred us to the *Statesman's Pocket Year Book* which, he said, showed that the rents of controlled houses had increased by 63 per cent since 1939. He said that the Bill proposed an increase of only 40 per cent since 1939, and apparently implied that as a result we have been robbing the landlords of 23 per cent. He was foolhardy enough to invite members to answer his argument. It can be easily answered because the increased rent proposed by the legislation is in addition to all other outgoings of the landlord, and he can recoup himself for those additional costs, such as increases in rates and cost of maintenance.

The member for Mitcham also said that this legislation discourages private investment in housing, but there is now no control over the rents of new homes, so I cannot understand his argument on that point. I think he knows, as most members know, that the days of private investment in housing are gone for ever, for it is not now attractive because people are

no longer satisfied with living in rows of tenements. We now insist on a proper standard of housing, and tenants cannot pay a sufficient rent to make investment in housing attractive. Therefore, we must press ahead with Government housing and if, as the member for Mitcham said, that is the first step to Socialism, so much the better. He said he opposed the legislation because it arose out of an emergency caused by the war and that the war ended 12 years ago. That is true, but the emergency was caused not only by the war, but also by the financial depression which preceded it. The emergency is still with us, and I am afraid it will be for many years. It is worse now than it was immediately after the war.

I shall vote for the second reading because this Bill affords some slight protection to people who would be in difficult circumstances if it were not passed. The member for Norwood took umbrage at some of the remarks of the member for Light (Mr. Hambour). I would not have considered them offensive, though I would have if they came from another source, but in Committee I shall support amendments to tighten up some provisions that have been weakened during the last few years. I shall also oppose the clause which increases rents by 40 per cent above the 1939 level.

Mr. LAUCKE (Barossa)—The member for Enfield (Mr. Jennings) criticized the activities of the Housing Trust, but I shall read the remarks of the Roman Catholic Archbishop of Sydney (Cardinal Gilroy) when he visited this State some months ago. The *Advertiser* reported:—

Cardinal Gilroy said he had been delighted to see, at Elizabeth and Radium Hill, instances of "the splendid example South Australia is setting other States in the provision of suitable housing for young people."

"Nowhere else in Australia have I seen a housing project so vast as that at Elizabeth," Cardinal Gilroy said. "Lack of homes is one of the real tragedies facing other cities, particularly Sydney, where this lack is going to have a marked effect on young people contemplating marriage. Australia's development depends on each generation being suitably housed."

That was a fair and accurate comment on housing that has been supplied by that excellent organization, the Housing Trust.

Mr. Millhouse—By an unbiased outsider.

Mr. LAUCKE—That is true. We all admire the great work the Housing Trust has done, but I believe we should have a greater entry into housing by private capital, encouraged by the removal of restrictions and controls. The

continuance of control which undoubtedly inflicts hardship on one small section of the community is not justified. In effect, the retention of control, even at the increased rental levels envisaged in this Bill, does enforce the subsidization of the cost of living of those tenants who come within the now restricted scope of the Act. Is the retention of rent control now really necessary? The scope of the Act is most restricted. It does not embrace Housing Trust homes; homes built since 1953; homes not rented from 1939 to 1953 and homes whose owners have been successful in securing tenancies on lease for a term of three years and longer. It is quite pertinent to ask how all the tenants not under control are making ends meet if it is necessary in the interests of tenants to have control on certain housing.

Investors in housing prior to 1953, and particularly in 1939, could then purchase homes for a comparatively small outlay. I believe in capital increment but we have not permitted in any way at all on the same level of prosperity which has applied to so many other assets an increment in housing values, investment in which could well have represented the all of elderly couples or small investors who thought it the best and safest form of investment. That particular section has not been given a fair deal. Those, in brief, are my feelings on this matter, and as a result, I cannot support the second reading.

Mr. LAWN (Adelaide)—I support the second reading on similar grounds to those advanced by the member for Enfield (Mr. Jennings), and principally because the Bill seeks to continue some protection to some tenants for a further 12 months. I have been invited by the member for Mitcham (Mr. Millhouse) to answer the whole of his criticism of the Bill and I accept that invitation. He said:—

I am never prepared to agree to control unless there are special circumstances warranting it.

He did not attempt to enumerate any special circumstances. I can only interpret his remarks to mean that he would prefer a return to conditions that existed in Australia last century. At that time there were no controls as to the number of hours a man should work in industry, and no doubt it would be in keeping with his beliefs and principles to see the abolition of all industrial legislation. He would believe that the employer should have the right to dictate the number of hours an employee works. We have made some progress

since those days. If his beliefs were put into practice, despite the gerrymander existing in this State, the Government would not survive. He went further and said that they were not only his beliefs. He said:—

We members of the Liberal and Country League pride ourselves that we represent all classes of the community.

Mr. Davis interjected, "Who do?" Mr. Millhouse replied:—

We do. That is a fact, and it is the aim of our Party to see that all classes in the community receive a fair deal. I believe that this Government's policy as a general rule carries that belief into practice, but I also believe that this legislation is an exception to the rule because it is class legislation of the worst kind. I cannot emphasize that too strongly.

The Government would probably like to eliminate this type of legislation, but I suggest that it is prepared to sink all its political principles, objectives and aims to remain in office. It knows what happened in Western Australia when rent control and price control were abolished. Not only did the Liberal Government go out, but its handsome majority in the Legislative Council was reduced to one. The Liberal Party's action enhanced the strength of the Labor Party in both Houses. It would happen here, but this Government is shrewd enough to see that if it abolished rent control it would be swept from office, and the member for Mitcham would lose a number of colleagues. It continues this legislation not because it has any sympathy for the people or represents all classes and sections of the community, but because it knows it would not continue in office if it abolished it. Mr. Millhouse also said:—

This legislation strikes at the small house owner. The man or woman—and it often is a woman—who owns one property other than the one which he or she is residing and is trying to live from the rent of it. They are the people who are being penalized by this legislation.

Why bring in the sob stuff? We are dealing with a principle and we know of tenants who are also affected by the legislation. Despite the present control many widows suffer hardship, but many more would be hit if controls were abolished. A recent case that came before my notice concerned a man who was injured during the course of his employment and was receiving £8 a week compensation. He was married, with three children, one of whom was attending high school. He was occupying a home under a lease and was paying £6 rent. He found it impossible to meet that rental and promised to make it up when he returned to work, but the landlord issued a notice to quit

in accordance with the Act and subsequently a court summons. There was a period during which the insurance company would not pay compensation because it desired an independent medical examination to confirm that the injury resulted from his employment. The company then paid the man a lump sum and on my advice he made up his arrears of rent. That overcame the justification for the notice to quit and the landlord did not proceed with his court action. This man had no hope of getting a trust rental home because his application was of no lengthy duration. As a matter of fact, I received a letter from the trust today in answer to representations I had made on behalf of another couple indicating that the waiting time for such homes is some years. As this man could not expect to get a trust home I advised him to pay his rent arrears when he received the insurance money. That shows the honesty of that tenant. The honesty of people was questioned by the member for Mitcham, but here was a man who genuinely wanted to pay his rent, even though £6 was an unjustifiable rent. He was willing to sign an agreement and take the house on those terms while earning a tradesman's money, but then he fell on hard times.

I know of a man in my electorate who, with his family, occupied the same house for 27 years. He was a good tenant, a good workman, and rose to be foreman in the Engineering and Water Supply Department. Under this legislation the landlord successfully took action against him in the court, but has not such a tenant some rights? This was not a poor woman taking action against a tenant, for in this case, as in the case I mentioned earlier, the landlord was a male. The tenant was a well-respected citizen in the West End of the city, but this Act gave so little protection to him that the landlord was able successfully to take action against him. The tenant was fortunately able to get out of the house before the eviction order was issued.

A couple of weeks ago, in response to a letter, I interviewed two sisters, one an age pensioner, the other an invalid pensioner. They received notice to quit and this legislation will give their landlord the right to possession of his house provided he takes proper action. I advised the two tenants that the notice they received was not worth the paper it was written on, and they said a solicitor had already told them that. I then advised them to seek confirmation from the Housing Trust and the

trust officers gave a similar opinion; but provided the terms of this Bill are complied with, the landlord will have no difficulty in getting an eviction order. Members should look at this question from the point of view of all sections of the community, but the member for Mitcham, although belonging to a Party that professes to represent all sections, said there should be no rent control. He said, in effect, that we should get back to the law of the jungle where the landlord would have the right to say who would occupy the house and what rental should be paid.

Mr. Shannon—The member for Barossa said that at present more houses were exempt from the legislation than under it. If that is so, how do those people manage to get on?

Mr. LAWN—I never thought the position was any different. I did not hear the honourable member.

Mr. Shannon—It may have been useful not to hear him.

Mr. LAWN—I believe in being fair in this House and I try to listen to the member for Barossa, but he has a habit of looking at his desk when he speaks. There is no need to say why; but I caught parts of his remarks, although I did not miss his speech because I saw him rise and sit down. I heard every remark he made, but I could not make out what he was saying.

Mr. Shannon—That was the major question he posed.

Mr. LAWN—I do not see the pertinency of the remark, but I would not think the majority of houses would be controlled. If that is so, I fail to see the value of the remark. Since Mr. Shannon has raised the question, however, I say that I heard Mr. Laucke wrongly attribute to the member for Enfield (Mr. Jennings) unkind criticism of the Housing Trust. Mr. Jennings did not criticize the trust; he said that the Premier had told the House that the trust received over 5,000 applications last year, but that is not an attack on the trust. The member for Mitcham said that because the trust was becoming the biggest landlord in the State that was a step towards Socialism, and Mr. Jennings said that if that were Socialism, there could not be enough of it for him. That, too, was not an attack on the trust, but simply a statement that he would agree to get away from the private ownership of homes.

Mr. Jennings—I complained about their not building enough.

Mr. LAWN—That is so; it was not a criticism of the trust. Mr. Jennings also said that over the past four years South Australia had built fewer homes, per capita, than certain other States, but that is not a criticism of the trust. For those reasons I cannot see the value of Mr. Laucke's remarks. Only this afternoon I was handed a letter from a constituent, a widow pensioner with two small children. She is a poor tenant, not a poor landlord, and she wants me to see her regarding her housing difficulty. When Mr. Millhouse talks about the poor woman who owns a house and then claims to represent all sections of the community, I say he is talking with his tongue in his cheek. Of course, his district may be wealthy and he may have no cases of housing difficulty. Possibly he has been associated with wealth and has not come into contact with other aspects of housing. He may not realize that various sections go to make up our community and may therefore honestly think he represents all sections. He may not know the other side of life's story.

Mr. Millhouse—How do you answer Cardinal Gilroy's comments that were quoted by Mr. Laucke?

Mr. LAWN—I did not hear them, but I understood that someone visited Adelaide and complimented the trust.

Mr. Millhouse—He said the housing position in this State was very good.

Mr. LAWN—It would not matter whether it was Cardinal Gilroy or the Premier of Tasmania, who Sir Thomas Playford once said visited Adelaide and complimented the trust on its activity. I have had sufficient experience in life and in industry to know of the conditions men work under from day to day and of the filth to which they object. I also know that before the Arbitration Court or members of Parliament inspect the premises they are cleaned up and everything is done to make the place look entirely different. I have no doubt that when I avail myself of an invitation to inspect a housing project in another State I am shown one side of it. Similarly, when the Premier of Tasmania was taken to visit the Housing Trust properties he was probably told the brightest side of the housing programme.

Mr. Millhouse—The trust was not mentioned in the extract quoted.

Mr. O'Halloran—Isn't the real test the number of unsatisfied applicants?

Mr. LAWN—Yes, I do not criticize what the Housing Trust is doing in building its homes, but I point out that we are not building

enough. In showing Cardinal Gilroy our home building activities, the Government would show him only what the trust was doing.

Mr. Jennings—It showed him Elizabeth, not the people living in caravans and awaiting houses.

Mr. LAWN—Exactly; the trust would not take the Cardinal to the various parks along the coast where caravan permits are renewed periodically and it would not tell the Cardinal about the lag of 27,000 between the number of applicants and the homes allotted—a lag that is increasing by 5,000 each year. The Cardinal would not be told that an applicant had to wait six or seven years for a home and that no one can apply until he is married. Further, even if married, a couple must wait two years for a Housing Trust flat, and then they must be childless to get one.

Mr. Hutchens—A married couple must be barren before getting a flat.

Mr. LAWN—Yes, if there is no child within the first two years they have a chance of getting one. Those things would not have been brought to the notice of the Cardinal. He wanted to see our housing activities, and we appreciate his interest. The Labor Party's criticism about housing is that the Housing Trust, the State Bank and other building organizations, including private enterprise, are failing to meet the demand for houses. In the final analysis the Government is responsible for this state of affairs.

Mr. Hambour—What do you suggest?

Mr. LAWN—For years the Labor Party has advocated that housing activities should be under the control of a Minister so that the Government would have more control over the building of houses. We have also advocated that a committee representative of employers in the building trades and building trades unions be appointed to advise the Government how to obtain a greater output of building materials and how more houses can be built. Last year the Premier criticized the Menzies Government for reducing the money allotted for housing in South Australia.

Mr. Hambour—Do you think that the money available for housing is being spent advantageously?

Mr. LAWN—I do not know whether it is, but we should build more houses for rental and fewer for purchase. The reply to a question I asked on notice earlier this session

showed that more houses should be built for rental. The member for Mitcham said:—

I believe it is the undoubted right of the property owner to choose his own tenant and fix his own rent.

They are the views of his own Party, but they belong to the last century. The Government is only continuing this legislation because it would be swept from office if it did not. The member for Mitcham went further and said that all controls should be abolished unless there were special circumstances. If we abolished rent controls property owners would choose their own tenants and fix higher rents. Only last week it was said in this House that the rent of a house that was fixed some time ago at £2 a week was now £10 because it had been let to another tenant under a lease. That cannot be justified in a Christian, democratic country, but the member for Mitcham believes in that sort of thing. The landlord can increase the rent by five times because he is exempt from the operation of the Act by entering into a lease.

I admit that there are good and bad in all sections of the community, but apparently the Government believes that a bad landlord would be an exception. A few years ago I drew the House's attention to the fact that the Adelaide City Council had not acted reasonably in one case, and the Premier made it clear that he did not agree with the action of the council, but where could we find a more reputable landlord than a civic body? The City Council purchased a property in Halifax Street to make a new street. It had been let at about £2 a week, but the council wanted to let it for about two years at a rental of £5 or £6 a week, the tenant to paint the house inside and out, which would have cost hundreds of pounds. They are two instances of what would happen if we abolished controls. The greatest danger would be a substantial increase in rent levels.

The Act is not loaded completely in favour of the tenant. Rent increases have been allowed previously, and this Bill allows another increase, and the legislation enables landlords to obtain possession in certain circumstances. The member for Mitcham said he opposed the Bill because this legislation discouraged private investment in the building of homes, but the member for Enfield refuted that argument. Houses built since 1953 have been completely exempted from rent control, but people are now becoming more cautious when considering building houses for rent. They probably realize that the State will become the biggest

landlord, and that they will be better off by investing their money in industry, especially as many companies have been paying big dividends. They know that private enterprise cannot compete successfully against the State, so they do not put their money into housing now. The member for Mitcham said:—

The Housing Trust has become the biggest landlord in the State (though I do not want it to be thought that I am criticizing the work of the trust or its officers). It is a bad thing for a State instrumentality to be the biggest landlord. The member for Adelaide may jeer at me for saying this, but it means we are on the road to Socialism.

The honourable member said that the building of homes by the Government would be Socialism. Government members have always led the people to believe that Socialism is something to be abhorred, yet we shall not get homes by any other means. That is an admission that by setting up the Housing Trust and making money available for the building of thousands of homes for those in dire need the Government has indulged in Socialism. I believe in Socialism and in doing the greatest good for those with the greatest need. Even now—12 years after the war—thousands are living in overcrowded homes, caravans, tents, sheds and other makeshift shelters, and if it needs Socialism to provide for them I am all for it. I am convinced that from now on the Government will be the biggest landlord in this State, and that is a good thing. Government members oppose nationalization and pretend to believe in competition, but they do not like the Government's competing with private enterprise in housing, shipping or airline services. They even oppose the Government's competing with private banks. Mr. Millhouse also said:—

My fifth reason for opposing this measure is that, because of the pegging of rents the old houses, those that are now controlled, are falling into disrepair because landlords, on the whole, are not prepared to throw more money away in repairing them. There is no incentive to do so. That, in time, will aggravate the housing shortage.

I have lived in the city since 1913 and know that houses are not falling into disrepair merely because of this legislation. It all depends on the type of landlord whether a house is kept in good repair. There are houses in the metropolitan area which are adequately maintained only because of the actions of tenants, who in some cases are not recompensed by the landlords. In the last two months I heard of a tenant who spent a considerable sum in repairing interior walls, install-

ing a new bath and completely painting the exterior of his house, but who, immediately on completion of the work, was issued with a notice to quit. He did not receive a penny for his work. In referring to the member for Norwood (Mr. Dunstan) Mr. Millhouse said:—

The only point on which I agree with him is that there should not be any loopholes in legislation so that dishonest people can take advantage of them.

Does he claim that dishonesty is confined to tenants and that there is no dishonesty among the landlords he represents? I think this debate has revealed that dishonesty exists in all sections of the community. It is not dishonest for a person who has lived in a house for years to desire to remain there. However, if a landlord offers him a comparable house as near to his employment, he should accept the offer. These factors used to be considered by the court, but now the landlord does not have to offer alternative accommodation. I claim that the tenant should have as many rights in this community as the wealthy person. Mr. Millhouse quoted figures revealing that there has been an increase of 63 per cent in rents during the operation of this legislation. It is hard to argue against statistics, but I point out that the Act has provided for a 100 per cent increase in outgoings—for council rates, land tax and water and sewerage rates, so I cannot follow his argument that the overall picture reveals an increase of only 63 per cent. He also said:—

The only other point I want to make—and I sum up with this—is that I do not believe it right that one section of the community—in this case a small and inarticulate section—should have to subsidize the development of the State, for that is what the Government is asking it to do. In an effort to keep down the C series index figures these people are obliged to subsidize it by keeping the rents of their properties pegged. That is the only reason why we have this legislation and I believe it is entirely wrong.

I can agree with the whole of that statement. In 1950 when I first came to this House I referred to the Premier telling a meeting in the Liberal and Country League building on North Terrace—the landlord section of the League, as the Premier has never denied—of the Government's policy on rent control. They said, "We are being sacrificed in the interests of the State." The Premier made it clear that they were being sacrificed to keep this a low wage State. I disagree with any section of the community having to subsidize the State's economics, but the landlord section is not the only one that has had to do that.

Since September, 1953, wages have been pegged in this State except for two special court judgments which granted a 10s. increase. Quarterly adjustments were pegged for a period and then abolished so that our wage earners suffered to the extent of 15s. a week in order to keep this a low wage State. If the Government can be criticised in respect of landlords it can be condemned in respect of workers. The Premier claims press publicity when he says he encourages industries to become established here. His arguments are twofold: firstly, that South Australia is the lowest wage State; and secondly, that the industrial laws here are the worst in Australia. When a firm comes here, it is said, it will have the cheapest wages and the cheapest insurance premiums for workmen's compensation because our workmen's compensation legislation is the worst in Australia; it will enjoy the worst factory laws. Further, this State has insufficient inspectors to police those laws. The Government does not want factories policed, so it does not appoint sufficient inspectors.

The SPEAKER—Order! I think the honourable member should come back to this legislation. He has had much latitude, but I think he will appreciate that he must speak of something relevant to the Bill.

Mr. LAWN—Mr. Speaker, it was right for the member for Mitcham to say that this Government is asking landlords to subsidize this State's economy, and with all due respect I say that I should have the same right to point out that another section—

The SPEAKER—Order! I point out that the honourable member has had much latitude in this matter and I think he has dealt with that point. I ask him to come back to this Bill.

Mr. LAWN—I had dealt with the point, but seeing you raised an objection I thought I was at least entitled to draw attention to that point. I have made it clear that Mr. Millhouse's reasoning is toward bringing back the law of the jungle under which the landlord would have an open go by being allowed to choose his tenant and fix his own rent. This afternoon another Government spokesman, the member for Light (Mr. Hambour) tried to compare present rents with those of 1939, and, when asked what he thought would be a fair rental today, having regard to 1939 values, he said, "£3 15s. a week." In reply to my interjection he said that he believed that to be a fair assessment despite the difference between capital values operating in 1939 and those operating today. I had the impression

that Mr. Hambour believed that, whether rent control was continued or not, rentals on houses built in 1939 should rise to £3 15s. a week, but I feel that to be inconsistent with his reasoning on other occasions when he has talked about capital costs. If the honourable member was trying to justify £3 15s. on the present costs of building a home, he might have some ground on which to base his argument, but to say that that rent should be charged on a home costing less than £1,000 in 1939 is surely wrong. Indeed, even in the early 1940's when we were fighting World War II it was possible to buy a block of land, build a home on it, and fence it for less than £800. To say that £3 15s. should be charged as the weekly rental for such a home would seem wrong, and I think Mr. Hambour's argument must be loaded in favour of home owners and investors.

Mr. Millhouse advocated a return to the law of the jungle, despite the Premier's statement in explaining the Bill that last year the trust received 5,000 applications for homes. Mr. Millhouse, however, believes that the landlord should be in complete control despite the shortage of homes and the many eviction orders that have been granted. What would he have said had the trade union movement of this country adopted a similar attitude during World War II and held the country to ransom? Conditions in those days favoured trade union action and nothing the Government could have done could have stopped the trade union movement demanding its terms had it so decided; but the trade union movement played its part in the interests of this country, merely saying, "When the war is finished we want a 40-hour week and better social service benefits for the unemployed."

Mr. Hambour—I believe unionists are loyal Australians.

Mr. LAWN—Yes. I do not believe in the abolition of all controls as advocated by Mr. Millhouse, for that would leave everybody to the mercy of the landlord. He may not have used the word "mercy," but I will be generous and say that he said, in effect, "Give the landlords complete control and leave the tenants to their mercy."

Mr. Corcoran—God help them!

Mr. LAWN—Yes. Those tenants, who comprised a large part of the trade union movement during World War II, could then have made great demands on this country and no Government could have denied them their wishes, but they did not say to the Government, "We want this and we want that." Therefore

it is wrong to say, as Mr. Millhouse has said, "Abolish all controls; have an open go; let the landlord choose his tenant and fix his rent." Mr. Millhouse said that that was the policy of the Liberal and Country League and in the main that is what this Government generally does, but it has departed from the general rule this time. I would like the press to give much publicity to Mr. Millhouse's statement so that the people may know that this Government does not represent all sections.

The SPEAKER—Order! I ask the honourable member to stick to this Bill. He has been guilty of much prolixity this afternoon and I ask him to finish on a note that would dispel that impression.

Mr. LAWN—Mr. Millhouse advocated the abolition of all controls and said that his Party believed in that policy, but that his Party had departed from it in this instance. I would like that statement to be publicized so that the people may know that the Playford Government does not represent all sections.

Mr. Hambour—We want all people to please themselves.

Mr. LAWN—I commend such an attitude on the part of Government supporters and I reiterate what I said in opening: I support the continuation of rent control because it protects some of our people.

Mr. BROOKMAN (Alexandra)—This is difficult legislation that has disturbed the peace and harmony of this House every session since the end of World War II. On the one hand it is claimed that it is necessary to prevent hardship, and the claims in this regard vary from the opinion of members opposite that the Act should be tightened to that of other members that it should be relaxed. On the one hand, therefore, it is said to be necessary, but on the other it is said to be very unfair to landlords. In many cases these landlords suffer considerable hardship because of this legislation. It is, of course, nearly always considered that the landlord is a greedy person owning many houses, but that definition is by no means accurate for many landlords and landladies live on small incomes today. Indeed, so small has been the return to many of them that their very poverty has discouraged the letting of houses by people who could let them.

Although this law protects some people from what would be acute hardship in the immediate future, in many cases people who could not look after themselves, it unfortunately protects many people who could look after themselves but

who are not doing a fair job of looking after themselves. In fact, some people are far too lazy and selfish to ever want to see anything different: they are quite happy to pay a controlled rent. Indeed, they would probably complain that that is too high, but they are happy to live under the present regime of rent control, knowing that so long as they pay rent they are safe from eviction under many circumstances.

I would support any liberalizing amendment the Government puts forward to this Bill, as I have done every time similar legislation has been introduced, and I regret that such amendments are too few. In some years there have been considerable releases from the legislation and on one occasion business premises were released. That was a splendid thing to do, but on other occasions practically nothing has been put forward by the Government other than minor amendments of the Act. We must aim at the eventual abolition of these controls. There have been many arguments on whether they should be abolished quickly or gradually. The Government has chosen the latter course, but some Bills have given very little relief. The Government should adopt a bolder policy, for other Governments that have not done so have found themselves in difficulties. France has never faced up to the position, and it has been in housing difficulties for 30 years or more.

Great Britain suffered tremendous losses of houses during the war and its economy suffered greatly through the war effort, but it has made great strides in housing and in relaxing landlord and tenant laws. Its bold policy eventually led to the nation's benefit, but in this State we have not relaxed controls sufficiently. This legislation results in injustices to landlords. I listened with interest to the member for Adelaide, but apparently he does not consider that ownership bestows any rights on a person. I am sure the honourable member would be more sympathetic to the landlord if he were more conversant with the landlord's difficulties: he sees only one side of the picture.

Another reason for abolishing controls is embodied in the Premier's remarks that there is not enough building activity by other than Government agencies. Today he opened a convention of the Australian Master Builders' Federation, and the *News* reports him as saying:—

He believed that before World War II the Governments of no States provided homes for rental. But homes for rental were now almost

exclusively a Government undertaking, and homes for purchase were very largely a Government activity.

Homes for rental are now almost exclusively a Government undertaking because public confidence has been badly shaken by this legislation. It is not now a good investment, even though the rent of new houses does not come within the operation of the Act. I welcome the clause increasing the general level of rents by 40 per cent above the 1939 level. The member for Mitcham invited members to study the index figures of house rents that were under control, for they showed that the increase was 63 per cent, whereas the Bill only provides for increasing the figure from 33½ per cent to 40 per cent. The figure fixed by this Bill is far too low for landlords who depend on rents for a living. They have to keep their houses in good repair, and this legislation discourages many people and private organizations from building houses for rental.

Mr. JOHN CLARK (Gawler)—I support this Bill, which continues rent control. This is still necessary, and I am sure it will be necessary at least for the short remaining life of this Government. I oppose the clause increasing rents, but this was the only clause that the member for Alexandra agreed with. Although the arguments of the member for Mitcham and the member for Barossa were completely fallacious, at least they had the courage to say what they thought of this legislation. I hope they will carry their opposition to the Bill to its logical conclusion by calling for a division on the second reading. I do not think the member for Mitcham called for a division last year after giving his famous five points in opposition to the legislation.

The member for Barossa quoted the remarks of an illustrious visitor, and I can understand that the Cardinal would be delighted at what he saw at Elizabeth, but we naturally show visitors from other States the best we have to offer. I am sure the Cardinal had many other duties to perform when he was here, so he may not have had time to see many of our houses that were not so good and get a true perspective of the position. I say in all humility that it is the duty of members, if possible, to assist in the education of other members. From what I know of the member for Mitcham I think that he is highly educable, but I am not certain whether he is in regard to housing. The test of his speech will be how much effect it will have on the debate: not much, I suggest. Apparently, he has seized on the mantle

of the high priest opposing rent control, and is going to do his best with it. I doubt whether his shoulders will be broad or even narrow enough to bear that mantle. I remember with pleasure the remarks on this legislation by his predecessor, who usually made an interesting contribution to the debate and made his points with clear and concise arguments. I admit that I did not agree with them, but at least they held me. I regret that his successor does not state his case in quite the same way.

Has he ever heard what happened in Western Australia and other places when rent control was lifted? He must remember that in Western Australia there was a severe inflationary effect—the very thing we are trying to avoid. In that State it benefited no one, because those whose incomes might be curtailed by rent control found that the small increases they received were offset by the consequential inflation of the real value of their money. Those were the small landlords—those for whom the honourable member, at least at the beginning of his speech, paraded his sympathy. Even if it is said that the large owners of houses benefited, that is open to question. It was proved there that increasing rents increased inflation. Rent control helps to check it; and I submit that that is the only reason the Premier allows this legislation to continue on the Statute Book—not that I am praising him for it, but any Premier worthy of his salt would do what he could to check inflation. Mr. Millhouse is never prepared, as he says, to agree to control unless there are special circumstances warranting such agreement.

I have attempted to show him some special circumstances, but I realize by his appearance that he is still dissatisfied. It appears that he is congenitally averse to the word “control,” just as I am congenitally averse to the word “Liberal” in its strictly South Australian sense. He went on to say in his speech, “The aim of our Party is to see that all classes of the community receive a fair deal.” However, his speech gave us very little evidence of the truth of that statement. In endeavouring to prove his point he went on to plead the case of one particular class. At first he began with an eloquent, pathetic and almost tearful plea for the small householder, something worthy to be put to music as a funeral dirge. He wept crocodile tears. If we take notice of what happened in Western Australia and other places where controls were lifted we will see that the people who will suffer most by

the inflation which would be hastened if his ill-advised measures were adopted and rent control lifted would not be the small people. After dealing first with the small man he returned to the realm of the larger landlord. He went on to give us his famous five reasons for opposing rent control—at least they should be famous by now because he has repeated them several times, but not one of them was logical. I believe that they were all based on prejudices. His first point was that an owner had an undoubted right to choose his own tenants and fix his own rents. What about the undoubted rights of those who rent the houses? They have some rights too. If his proposals were accepted, who would suffer? The whole House knows and so does the honourable member, and yet we are told by him that he works for all classes in the community and so does his Party, which in this particular matter finds that it would possibly like to agree with him, but finds it wiser not to.

In his second point he said that the war-time emergency which in part created this legislation was over and I take it he considered that should also apply to this legislation. Mr. Lawn dealt with this aspect at some length, and I agree with him that the housing emergency is not over. No-one, least of all the Premier, believes for one minute that the emergency is past. It is as great as ever it was. Possibly Mr. Millhouse may move in a rarer atmosphere and possibly does not recognize just how acute the housing position is. We humbler members know. We have people coming to us with their housing problems which can only be described as appalling, and we are doing our best to help these people to be housed. Only recently an elderly woman came to me seeking to obtain a Housing Trust rental flat, and it appeared to me after inquiry that she had an excellent case, but I found she was not in the race to obtain such a flat because there was such a long waiting list with conditions as bad as hers, and often even worse. And that applies not only to one particular avenue of housing.

Many people are in the direst straits, and we cannot allow ourselves to be convinced that the housing emergency is over. It certainly is not. This is particularly realized by those who hear some of the incredible but true stories regarding housing conditions. The third reason given by Mr. Millhouse for opposing the measure was that this legislation discourages private investment in home building—and that in spite of the sad ode on the decline and fall of the small owner of houses that we

got from him earlier. We now realize the class he is mainly concerned with—those engaged in big building for investment. Here again I suggest that he is not doing that section any good by what he advocated in the debate. His argument does not hold water, because if rent control is lifted altogether prices will become so inflated that no-one will build for profitable investment, because rents will have become too high for people to afford. That should be obvious. I doubt whether there is any danger of such people investing in this field when more lucrative avenues of investment are available to them. Does not the honourable member realize that that class are more interested, and naturally so, in view of their upbringing and associations, in highly profitable investment rather than the building of houses just for the sake of building houses. If controls are lifted *in toto* there would be less and not more building homes. Surely the House and the honourable member know that the rent of new houses is not controlled. He has been told this over and over again, and the rent to be obtained is only that which can be reasonably obtained. If we lift all controls, new house builders will be worse off than ever. The returns will not be good enough to encourage the building of additional houses. In the light of such circumstances and our present situation I say most sincerely thank God for the South Australian Housing Trust. I think that anyone who had done his best to help alleviate the hardship of people seeking to obtain homes would echo that prayer.

Also, in making his fourth point the honourable member said—and it was inexcusable for any honourable member to make such a statement—“How wrong it is for the Housing Trust to be the chief landlord of the State!” My reply is, “Why is it so wrong?” The obvious answer is that he thinks—out of ingrown prejudice—that this is Socialism. He hates Socialism worse even than he hates the word “control.” He said, “It is a bad thing for a State instrumentality to be the biggest landlord.” Why? The Housing Trust is not true Socialism, although it is a little on the way to Socialism. It would be all the better if it were an undertaking completely under the control of a Minister of Housing responsible to this House. We could then ask questions and be certain of receiving a reply. I only hope that when we do appoint such a Minister it is not the member for Mitcham.

Mr. O'Halloran—He has a low priority.

Mr. JOHN CLARK—That relieves my anxiety. The fifth and final point raised by

Mr. Millhouse—and it is not really a new point but merely a further indication that the class he represents is not worth helping—was that landlords would sooner see older houses fall into disrepair than do anything to them. In other words, they have no pride of ownership. Mr. Lawn had something to say about that. This suggestion is not new and probably landlords thousands of years ago adopted such an attitude. Mr. Millhouse inferred that the profit motive was the only motive landlords were interested in and that a house could deteriorate and not be repaired so long as it stood.

I have sympathy for any member who fights for a belief, however erroneous it may be. Most members believe in some subjects to such an extent that it becomes part of their make-up and it is obvious that a phobia regarding the lifting of rent control has become part of the make-up of the member for Mitcham. However, if a member wishes successfully to champion a small and inarticulate section of the community he must be ready to put up a sound case in its defence and not one full of holes as Mr. Millhouse has done. I admit he had the courage of his convictions which is something not always evident in Government members, and I look forward with interest to his calling for a division on this particular issue. I support the second reading, but cannot support what I regard as an unjust increase in rents.

Mr. FRANK WALSH (Edwardstown)—I support the second reading, but oppose clause 3 which proposes an increase in the rent of homes now within the scope of the Act. I must support the second reading because there are other proposals I am vitally interested in. I feel I must criticise the member for Mitcham (Mr. Millhouse). He said:—

My fifth reason for opposing this measure is that, because of the pegging of rents the old houses, those that are now controlled, are falling into disrepair because landlords, on the whole, are not prepared to throw more money away in repairing them.

Would any reasonable person with an asset permit it to deteriorate, particularly when provision is made under this Act for its upkeep? If there are such people, it is all the more reason why we should oppose proposed rent increases. He contends that landlords have no incentive to maintain their houses. Last week the member for Unley referred to houses in his electorate which were being slightly repaired and then sold at a high figure, and indicated that the council could have condemned them long ago. No doubt

these are the type of homes Mr. Millhouse refers to as having deteriorated, but what type of person would normally occupy those homes and pay rent for them? One would be the basic wage earner, who, incidentally, has only received an increase of £1 a week in his wage since 1955. The other would be the pensioner who is now to receive an increase of 7s. 6d. a week in his pension. They would be the only people who would live in substandard housing that should have been condemned. We should not be concerned in providing rent increases for people who have no interest in repairing their homes. We should not permit an increase of 40 per cent in rents on 1939 levels for such landlords. Mr. Millhouse said that one section of the community was subsidising the State and that it suffered hardship as a result. I do not know whether he believes we should provide by way of increased rent a subsidy for those people who own homes that ought to be condemned. His whole argument was inappropriate to this debate.

Mention was made of Cardinal Gilroy's visit to this State and his comments on our housing. I imagine similar comments would have been made by any authority who came here and was shown the number of homes being erected at Elizabeth and in other parts of the State. I do not condemn the type of houses that have been built, but I suggest that most members have forgotten the report of a commission that was established to report on the standard of homes in the city. It is an illuminating report about which the Government has done nothing. I realize that most people would accept any accommodation if faced with an eviction order. I know the anxiety that people suffer. A vigorous building campaign has not been pursued, and I am concerned at the report on page 3 of this afternoon's *News*, entitled "Playford Hits at Builders." The Premier is reported as saying that the Australian building industry today relied to an unhealthy extent on Government finance to maintain it in a high level of employment and that before World War II the Government of no States provided homes for rental. I take it from the report that today the Premier appealed to the master builders and contractors to do something to relieve the Housing Trust of some of its building obligations, but I remind members that last year when I asked the Premier whether steps could be taken to encourage people to build maisonettes, he quoted the following report from the Assistant Parliamentary Draftsman:—

In general, the Town Planning Regulations lay down the rule that, in a plan of subdivision, an allotment is to have an area of 7,500 square feet or more. The Building Act regulations provide, in general, that a dwelling is not to be erected on an allotment of less than 3,960 square feet and thus if, by any chance, a re-subdivision took place or has been effected, which left an area of less than 3,960 square feet a dwelling could not be erected on that site. It has been the practice of the Town Planner and councils to approve the erection of maisonettes on blocks where the area of land for each dwelling is 4,000 square feet or more when satisfied that it is desirable so to do and it is probable that the existing method provides a suitable degree of control whilst enabling the class of dwelling in question to be erected. But in these cases the view is taken that the pair of maisonettes should remain under one ownership. There is no objection to maisonettes or semi-attached houses provided separate titles are not sought for each unless each has the area required under the Town Planning Regulations.

In my question I quoted the case in which a certain council agreed that maisonettes could be erected provided 4,000 square feet of land comprised the minimum allotment for each unit, and I point out that such a scheme would be ideal if it were accompanied by the right to sell separate titles to the units. For instance, a married couple with only one child could build a pair of maisonettes, the parents becoming the owner of one unit and the child the owner of the other. Such a scheme would have the dual advantage of cheaper land and lower building costs, yet merely because the Town Planning Act provides for a minimum building allotment of 7,500 square feet such people are denied those advantages. Further, such a scheme would enable a pair of maisonettes to be occupied by two families and this would in turn relieve the demand for Housing Trust rental homes. The people about whom the Premier now complains should be encouraged to provide for the solution of this problem so as to relieve the trust in the way I have suggested.

It is time Parliament established a fair rents court to fix housing rents generally; the Housing Trust, the biggest landholder in this State, if not the Commonwealth, should not be the sole arbiter of rents. Some home owners let their homes at a reasonable rental during the depression and they may have a case for an increase in rentals, but under the present set-up such cases are considered not on their merits, but only as a part of the general housing picture. Parliament has agreed to allow the trust to fix the rents of its own houses and to average rentals, but members did not

dream of the unfortunate consequences that have accrued from this policy.

Is the trust building up an organization that will require greater supervision, more equipment, and increased expenditure for the erection of its homes? Private enterprise has not pulled its weight in the housing of our people, even though it has received a very fair deal resulting from the importation of labour for which it has not been required to find accommodation. Although I do not know all the details of the trust's amortization policy, I cannot understand why the temporary homes have not yet been written off. The man who was formerly Senior Architect of the Housing Trust had at least one trip overseas at the expense of the Government and then set himself up as a contractor to erect homes for the trust in our northern suburbs. Then the Government found those homes were not being sold, so they became rental homes and were let at about £3 a week. What is the amortization period in respect of those homes?

Mr. Jennings—Fifty-three years.

Mr. FRANK WALSH—Then their rate of deterioration warrants an earlier write-off. Is it right that the trust should continue to fix rents generally in this State? The trust has never had to go to any authority to increase the rents of its houses—a practice that is frequently carried out between the time that one tenant leaves the home and another tenant comes in. Further, I do not think that practice is covered by the averaging system that has been approved by Parliament. We are now told that in fairness to the landlords rents generally are to be increased to a level 40 per cent above that operating in 1939. I will certainly oppose that clause in Committee and I hope that amendments on the files in the name of the member for Norwood will be accepted.

Mr. SHANNON (Onkaparinga)—I shall have only a few words to say on the second reading, but I shall ask those who are so much in favour of rent control to answer three questions. Firstly, how do those people survive who do not come within the ambit of this legislation? Secondly, the Housing Trust, which is by far the largest owner of rental homes, averages its rents. How do private people average their rents so as to compete on an equal basis with the trust? Thirdly, would it not be possible, instead of increasing rents by a percentage under this Bill, to fix the rents of private houses on a square basis—that is, on the service rendered to the tenant—so

that they would bear some relationship to the accommodation provided by trust homes?

Mr. HUTCHENS—(Hindmarsh)—I support the second reading and congratulate the member for Onkaparinga on having said so much in such a short time. This is a good measure, and a necessary one. I do not agree with continuing unnecessary controls, but we must continue rent control. The Housing Trust is doing a good job, but it has received 5,417 new applications for rental homes, 1,720 for emergency homes, and 2,547 for purchase houses. That indicates that we cannot meet the demand for houses. Many houses not fit for habitation are still occupied. The Deputy Leader of the Opposition referred to the Housing Improvement Act and a report tabled in 1940. I have often referred to that report, which showed that many houses in my electorate were unfit for occupation, but the council has allowed them to continue to be occupied because of the shortage of houses. While that position exists it is necessary to continue landlord and tenant legislation.

I am concerned at the clause allowing an increase in rents. Only today I received a booklet published by the Institute of Public Affairs, and it stated that the factor causing greatest concern is creeping inflation. I fear that an increase in rents will aggravate creeping inflation. Many small houses that are unfit for habitation can be purchased for less than the land is worth, so there is no possibility of the owner losing on them. It would be most unfair to allow the owners of such houses to charge exorbitant rents.

Mr. TAPPING (Semaphore)—I support the Bill, but I strongly oppose the clause increasing rent levels by 6½ per cent. Members on the Government side have stated that they dislike controls. Labor members oppose unnecessary controls, but for the last 15 years it has been essential to continue rent control in the interests of many people. The housing shortage has grown worse in the last few years because of immigration and the natural increase of our population. Without controls many people would be exploited, though I admit that many landlords are fair and reasonable. For instance, a landlord has been letting a 7-roomed house in a good locality in my electorate for £2 12s. a week, but other landlords might exploit their tenants if they were not protected by this legislation.

I am concerned at the clause increasing the general level of rents by 40 per cent above the 1939 level. This clause will lead to the

rents of many houses being increased by much more because the rent of some houses let in 1939 at, say, 20s. a week was raised to, say, 28s. by the Housing Trust, and the landlord will get 40 per cent above 28s. When rents were first raised by legislation by a percentage many people told me that the Housing Trust had already increased their rents considerably, and I missed making that point when the legislation was debated. In other words, the legislation did not raise the rent paid in 1939 by a percentage, but the rent subsequently fixed by the Housing Trust by that percentage.

Landlords who own houses built before 1939 have nothing to complain about, for their capital outlay has been liquidated. Let us take the case of a person who has rented a home built in 1927 for 30 years. In that year a good house could be built for £1,000. If the tenant had paid a rent of £1 a week for the first 20 years and £2 a week for the last 10 years he would have paid to the landlord £2,080. Of course, the position is different as regards a house built recently because the capital outlay was much greater.

Today's *News* states that the cost of living for the current period may rise by 2s. a week, but the basic wage will not be increased by that amount. Therefore, the increased rents proposed by this legislation will place an added burden on the worker. The member for Light (Mr, Hambour) says that everyone should try and purchase his own home. Everyone subscribes to that in principle, but the man on the basic wage cannot do it. By the time he has met his commitments he cannot save anything to build up a deposit on a home.

The member for Hindmarsh (Mr. Hutchens) said that many people in industrial areas are living in houses that are not fit for habitation. The councils concerned have allowed them to remain occupied because the tenants could not get other accommodation. The Housing Trust has built many houses, but in the last year or two it has concentrated its activities at Elizabeth. Many people who live there work in industries located north of Adelaide, but the trust has been building fewer homes in the metropolitan area, so those who work in the Semaphore area have little hope of getting a trust home near their place of employment. As many people still need protection under our landlord and tenant legislation I support the second reading.

[*Sitting suspended from 6 to 7.30 p.m.*]

Mr. STEPHENS (Port Adelaide)—I will support this Bill because I want the last

clause, which gives an extension of the operations of the Act, carried. If it is carried, it will mean that there is power to deal with rents. However, I do not like clause 3, which provides for an increase in rents, because I do not think this is fair or right. It would not be so bad if it gave workers something in return, but they are not able to pass on increased costs in the same way as employers can pass them on.

During this debate, many members have said that the housing position is now much better. I wish I could believe that, but it is not so in my district. Every day people who rent houses come to me seeking assistance. Only today I was approached by a man who had been ordered to vacate the home that he, with his wife and two children, was occupying. Unfortunately he was not renting the house from the owner, but from the occupier, and when the occupier vacated the premises, he also had to vacate. He went to Mr. Whicker, the Mayor of Port Adelaide, who referred the case to me. As he would otherwise have had to go into the street, this man inspected a house for sale at £1,300. Although he knew the house was not worth the amount asked for it, he was forced to buy it to provide a shelter for his wife and family. He borrowed £400 from his brother, which he paid to the agent, and took possession of the premises. Shortly afterwards, when the child was sleeping, he heard a cracking noise, and when he went into the room found that part of the wall had fallen down. I discussed the matter with the mayor and then with the building inspector, after which I went to see a solicitor, but he told me that nothing could be done unless we could prove that the seller had committed a wilful and deliberate fraud, but this could not be done because the buyer had seen the house before he bought it. The matter was taken before the Law Society, but it did not go before a court, although I believe the mayor would have been prepared to support this man. We knew we could not win the case, but we felt something should be done to expose the matter. As the seller was afraid of the shame that might follow, he paid back £325, and fortunately I was able to obtain a trust home for the man involved.

Another case in my district involved a returned soldier with three children who was told last week to vacate his home. A "spec" builder had bought the place and said he must get out. I took the matter up with the Housing Trust, who allotted him a house. If honourable members think they are speaking the

truth when they say they believe the housing position has improved, I should like them to come to my home for a day or two and meet some of the people who approach me. I am not so worried about some of our New Australians, but I am about some of the British migrants, many of whom are trying to return to England because they cannot get decent accommodation. I ask honourable members to give these people more support and sympathy, and not to pass the matter over as a joke. They are human beings, and if members can afford them relief and do not, they are not doing their duty. I support the Bill except for the clause providing for increased rent.

Mr. CUMBE (Torrens)—Although I do not like this type of legislation, I support the second reading because it will operate for only 12 months. If it were not subject to annual review I would oppose it. Under present conditions, this type of legislation is justified so long as it is subject to that annual review. Secondly, I support it because in my electorate there is a real need for tenant protection. There are three types of householders—those who pay rent, the landlord, and those who own their own homes. Those who live in trust homes would be covered by the first class. Those who pay rent are in the great majority, and the majority of them definitely need some type of tenant protection. I am continually receiving, as other members are, requests for assistance in housing, especially from those in some of the poorer parts of North Adelaide, where there are some problems. The majority of my constituents occupy a rented home and require some type of protection, and as they would get that protection under the Bill, I support the second reading.

Mr. FRED WALSH (West Torrens)—I also support the second reading. Certain Government members have voiced their objections to rent control, but some have said they appreciate the necessity for this legislation. As Mr. Cumbe said, it is subject to annual review. I suppose this applies to all legislation, because amendments can be introduced every session. All legislation relates in some way or another to control. We on this side believe there is insufficient provision in the Bill to protect those intended to be protected—tenants generally. One honourable member said it was necessary to continue the legislation for at least the short period which the present Government was likely to remain in office. I feel it will be necessary to continue this legislation for a long time, irrespective of what Government is

in office, because sufficient houses must be provided to meet demands before it is eliminated from the Statute Book. Mr. Brookman suggested that controls had affected the position in France for a number of years. That is a ridiculous statement, coming from one whom we credit with having more than average intelligence. I think he expressed himself without giving any thought to the position in that country. As a matter of fact, I think everyone who has studied the French position will appreciate that the cause of its trouble basically is its electoral system that provides for a type of proportional representation. If ever such a system is damned by experience, France is ample proof, hence the virtual impossibility of it getting any stable government.

The Premier and other members said that people were not prepared to invest in home building. That is true because they can get more lucrative returns from investments in safer securities as, for instance, the Electricity Trust which provides $4\frac{1}{2}$ per cent per annum. I think the State Electricity Commission in Victoria is floating a loan now on the basis of $5\frac{1}{2}$ per cent. A person who invests in such securities can forget his money and receive his interest from time to time without any worry, but there is worry in investing in homes, particularly in South Australia where landlords are uncertain as to what can be done in the leasing of homes. The time may come when people are unable to invest so easily in private industry and semi-Government instrumentalities and may invest in home building. That will assist the housing shortage, but I do not think it will be in the State's interests because it will reveal that our economy is declining.

I believe in building homes for rental purposes and have always advocated that the finance the State makes available to the trust for home building should be used for rental homes only. However, I realize that the Commonwealth imposes certain restrictions and demands that some homes be built for purchase. The Premier suggested that the Housing Trust was the first Australian authority to engage in group home building, but that is not correct as pointed out by interjection. A Labor Government in the middle twenties engaged in the Thousand Homes Scheme. Many people today are still paying for those homes and it is difficult to assess when they will secure outright ownership. I know of two families that will never own these homes, but they are content to pay rent, including interest.

We must consider the question of maintaining homes and I congratulate the Housing Trust on the type of homes it is building and the manner in which it conducts the letting and sale of them. It erects homes for rental and is responsible for their maintenance and also pays rates and taxes. If such homes were sold under our present purchasing system spread over a lengthy period we must realize that apart from the initial deposit of between £900 and £1,000 for a £3,000 home the purchaser must also provide for maintenance and for rates and taxes which alone cost about 10s. a week. How many men on wages approximating the basic wage—and I mean within £3 of it—are able to finance home purchase? There are not many, but those who do must considerably lower their standard of living in order to meet their commitments. It may take 40 or 45 years to complete the purchase of their home and by that time the average home purchaser is between 70 and 75 years of age. Actually, they are not buying the home for themselves but to bequeath it to their dependants. I question whether a family or society has the right to expect people to make such sacrifices in order to provide for those they leave behind. It is not a good proposition to purchase a home under those conditions. The Government should be aware of these facts and while it may attempt to alleviate the position from time to time the position is that many people are spending money all their lives on something that never becomes their own. In times of full employment many people enter into commitments for purchasing homes, washing machines, radiograms and other articles and are faced with meeting them from their meagre wages or salaries. True, they may realize their obligations, but what will happen when things are not so good? It appears to me that we are heading that way now, even though the Minister for Labor and National Service indicated last week that the number of unemployed persons had fallen. I point out, however, that the slight fall he mentioned is the result of the increase in seasonal employment that occurs during the spring and summer months and that overall there is a general tightening in the employment position. Many women, the wives of men in constant employment, have gone to work over the past few years to supplement the family income so as to purchase a home or amenities, but now the wife is out of work because the employer rightly prefers the man with family responsibilities to the woman whose husband is in constant employment. The husband is probably also faced with lower overtime earnings, and

all these things mean that people who committed themselves to purchase certain commodities may find in a couple of years that they are unable to meet their commitments. What will be the result?

The Government may accept the position and evict people who do not meet their commitments, but that is unlikely because in the depression years it did not suit the interests of the State Bank to evict the occupiers of homes and to allow those homes to be destroyed or damaged by vandals. In some cases people who could not meet their commitments preferred to move to the homes of relatives, and vandals removed doors and floor boards from some of those vacant homes. Let us hope we do not see that state of affairs again, but I fear for those men who commit themselves to the purchase of a home. As a State Parliament we should concentrate on providing rental homes and leave the purchase of homes to those prepared to invest money in that way.

The member for Norwood (Mr. Dunstan) has foreshadowed an amendment to the clause relating to eviction orders and at this stage I content myself with saying that the hardship of the tenant should be considered by the courts when considering the granting of an eviction order. That provision, however, was eliminated some time ago with the result that frequently the evicted person is in dire straits, but the court has no alternative but to grant an eviction order in many cases.

Mr. Dunstan—Judges have said that.

Mr. FRED WALSH—Yes, and the honourable member knows it from his court practice. The member for Light (Mr. Hambour) asked what could be done with people who could not or would not pay their rent, but such tenants would be either put on to the street or be left to cram other homes and worsen conditions there. Members on this side oppose any increase in the general level of rents. There is an old saying that an Englishman's home is his castle and probably many tenants of homes in the West End of Adelaide and in some industrial suburbs have the same ideas about the homes in which their families have lived for two or three generations. The Bill provides for an increase in the general level of rentals from 33½ per cent to 40 per cent above the 1939 level. Some homes to which I refer are not worth such a rent, yet under this provision the Housing Trust will have no alternative but to grant an application for the increase. True, the trust may grant further increases where improvements have been made and increased rates and taxes must be paid,

but I am concerned about houses which have been left to deteriorate.

The member for Onkaparinga (Mr. Shannon) said that the value of a house should be considered rather than a set percentage increase stipulated, and that suggestion could well be investigated. The Government should not ask members to permit a mandatory increase of rents. Some people have entered into agreements and leases to pay a certain rent and only today a man told me he had signed an agreement to pay £7 10s. a week for 12 months for a house the rental of which should be no more than £3 5s. The owner of the house cannot get possession of it because he does not live in South Australia, but he is willing to take advantage of the tenant, a Dutchman, who had been in Australia only three weeks when he signed the original agreement. That agreement expired on August 9 and now the parties are negotiating on a monthly agreement. I have referred him to the legal branch of the Housing Trust to ascertain the true position. Last year when explaining similar legislation to this, the Premier said that people who made agreements or entered into a lease for a period would exclude themselves from the protection of the Landlord and Tenant Act. Once a lease or an agreement has expired the tenant should again be able to take advantage of the protection afforded by this legislation. I support the second reading, but in Committee I will support the amendments to be moved by the member for Norwood.

Mr. HARDING (Victoria)—I have listened attentively to the debate and I congratulate the members for Norwood and Mitcham who so ably put their cases, and other members also spoke sincerely. However, I had my opinion before the debate started, and I still hold the same opinion. I intend to vote against the Bill, and I hope that after the period of operation of this legislation has expired we shall be able to banish it from the Statute Book. I agree that in the near future because of the drought, we shall be faced with far more difficult times than we have experienced since the war. If I had not had an opinion on this Bill the member for Norwood would have assisted me in making up my mind. He put his case well, but one thing he said was:—

Unfortunately, the control of the general level of rentals only applies to a certain now small proportion of rental accommodation of this State.

That is a fact, and the people who own these houses which are still under control are not wealthy, and they are being exploited. That

is my chief reason for opposing the Bill. There is one bright spot on the housing horizon. A new type of home is being built at Naracoorte, and I think the Premier has heard of it. The Housing Trust has been inspecting these houses, which are built of a material that can be easily manufactured in Australia and is being manufactured in Geelong. This type of construction will result in a saving of between £500 and £1,000. I think the Housing Trust will have to build many more homes to overcome the housing shortage.

Mr. Lawn—Do you believe in Socialism?

Mr. HARDING—I certainly do not. The time may not have come to lift controls completely, but I am opposed to controls in principle and will therefore oppose the Bill.

Mr. BYWATERS (Murray)—I support the second reading. I was disappointed with the remarks of the member for Victoria. I thought he would have at least supported the second reading, for he could move to amend the Bill in Committee if he desired. So long as we have a housing shortage we must retain this landlord and tenant legislation. Many people come to me seeking assistance to obtain homes. Recently one woman was almost in tears and complained that she had to pay £7 10s. a week rent for an old house, though it probably did not cost more than about £1,000 to build. The owner lived in it until recently, therefore it is not subject to rent control. This woman's husband is a motor mechanic earning about £15 a week and she had to go out to work to supplement the family income so as to pay the rent. She has a young family and finds it difficult to make ends meet, but she has to pay £7 10s. a week in rent or not have a house. I told the owner that I thought he was a little unfair to charge so much, but he said he could have divided the house into two and obtained more by letting it as flats. That is true, but it shows that many people will take advantage of the shortage of houses, so it is necessary to continue rent controls.

Unfortunately, many people are defeating the purpose of rent control. We have heard some complimentary remarks about the Housing Trust, and some perhaps uncomplimentary, but I am pleased that we have a Housing Trust for I do not know what would have happened since the war if the trust had not done so much to provide houses. I was pleased to read in the local press at Murray Bridge that the trust had acquired 33 acres of land there to build about 200 homes soon. Some of the land will be used for a

school and a shopping centre. We have a keen demand for houses at Murray Bridge, though that applies to many country areas. The member for Light (Mr. Hambour) said that people should try to purchase their own homes. He said he would be in favour of purchasers having to pay only 10 per cent as a deposit. I am sure that many people would own their own homes today if they could get one for a 10 per cent deposit. We on this side of the House have been accused of not wanting people to own their own homes, but nothing could be further from the truth. The fact is that few people can afford to buy a block of land, put down a deposit, and buy furniture. Every marriage accentuates the shortage of houses, and the position is getting worse each year. I am sure this legislation will have to be continued for some years. I support the second reading, but in Committee I will oppose the clause increasing the general level of rents.

Mr. LOVEDAY (Whyalla)—I support the second reading because of two factors. We have had ample evidence in the debate that we are not overtaking the shortage of houses in this State. In fact, the number of unsatisfied applications is growing, and instead of an improvement in the position we are slipping back in the provision of houses, despite the number being built by the Housing Trust. In addition, owing to the increasing difficulty which people are experiencing in purchasing homes, there is an even greater demand for the rental home than there otherwise would be, and consequently the pressure to obtain a rental home is increasing rather than decreasing. I believe that those factors make this legislation even more important than it has been in the past, and it will be very important in the future because of the unfavourable season which seems to be ahead of us; I therefore feel satisfied that this legislation will be found to be more necessary during the coming years.

Some Government supporters seem to suggest that if this Act were done away with and there were no controls the private investors would rush in and start to build and the shortage of houses would thereby be relieved. There is nothing to stop private investors doing that now, but that viewpoint is not supported by experience elsewhere in the world, irrespective of whether controls are in operation or not. Any country that has become industrialized has experienced a growing shortage of houses for wage earners due to other reasons altogether, and there is no doubt that in a community

which is making considerable economic and industrial progress there is a tendency generally for money to be invested in other more favourable avenues. As a consequence, we are looking more and more to the State to provide housing, and there is little doubt that the shortage would not be relieved by merely removing controls as suggested by members opposite. I would point out that they must then of necessity be opposed to the suggestion made recently that the only solution to the housing problem, in the main, was to provide cheaper money to build houses so as to make it easier for people to purchase them. If the Government wishes people to purchase homes, cheaper money has to be provided, but it will not be done by providing more opportunities for investors. Members should make up their minds whether they really want people to purchase homes or whether they want controls removed merely to provide investors with avenues of investment, because these things are diametrically opposed.

I was struck by the fact that the member for Alexandra (Mr. Brookman) said that the Government in Great Britain had removed controls and was making very good progress as a consequence. However, I notice from the report of the Conservative Party's conference that appeals were being made to get tough with the wage earners in particular, and to set up a pool of unemployed in order to exert pressure on the trade unions. In fact, the whole tone of the conference seemed to be one of alarm at the state of affairs in Great Britain. It seems to me that the abandonment of controls there must of necessity bring about a terrific upheaval among wage earners and in industry generally. Surely it is an extremely retrograde step to endeavour to maintain our system by setting up a pool of unemployed. I intend to say a little more in Committee on one or two clauses, and I trust the second reading will receive the full support of all members in order that amendments may be incorporated.

Mr. CORCORAN (Millicent)—I support the Bill. I am sure that all members of my Party have respect for private ownership, but when private ownership fails to acknowledge its obligations in the manner it should under the existing circumstances, something has to be done about it. The member for Murray referred to the case of a person who was paying £7 10s. a week for a house which was not controlled. It is cases such as that which make us quite satisfied that the necessity to retain control is still with us, and while the

shortage of houses prevails it is not likely to be removed. We have been more or less accused of unfavourable criticism of the Housing Trust. We have done no such thing, and nobody appreciates the achievements of the trust more than members on this side of the House. However, we are concerned at the vast leeway that has to be made up. We know the trust had done a lot, but we also know that there are thousands of young people, and old ones too, still waiting for homes. We need two or three Housing Trusts of the same capacity as the present one to make up the leeway.

As the member for Whyalla (Mr. Loveday) said, we are losing ground instead of gaining it. We are all concerned about this matter. We know that the home is the very basis of the nation, and we have to see that it is provided. We must do all that is humanly possible to overcome these problems. It is not possible to remove controls, because many landlords have acted in an atrocious manner and have failed to do the right thing. When a man has put his life savings into a home in order to get something in return when he is older, he may be entitled to the proposed increase, but I would not agree to a 33½ per cent increase in the rental of very old homes. Where it can be established that a landlord is entitled to such an increase it is only fair that he should get it, and I am sure nobody on this side of the House would take objection to his getting it. Hardship should be taken into consideration by those dealing with housing matters. The member for Norwood has foreshadowed an amendment to deal with this matter, and this will have my wholehearted support. Members should put themselves in the position of the unfortunate tenant who is ordered to vacate and who may be put into the street by a court; they would then realize what hardships can accrue. It is unconceivable that these things could happen in a country such as ours. Although I support the second reading and a retention of control, I intend to support the amendment.

Bill read a second time.

Mr. DUNSTAN moved—

That it be an instruction to the Committee of the Whole House that it has power to consider amendments relating to the consideration of the circumstances of landlord and tenants by the court on the hearing of applications pursuant to section 55(c) of the principal Act, and relating to a ceiling of rents or of leases in writing of dwelling-houses now exempt from the Act.

Motion carried.

In Committee.

Clauses 1 and 2 passed.

Clause 3—"Basis for fixing rents."

Mr. DUNSTAN—During the second reading debate I indicated my opposition to the increase from 33½ per cent to 40 per cent on the 1939 general level of rentals, and I hope that the Committee will vote against this clause.

The Hon. Sir THOMAS PLAYFORD (Premier and Treasurer)—The honourable member has not moved any amendment to this clause, as he urges a flat rejection of it. The position is that in a community in which all other costs are rising and in which the value of money for investment is increasing, it is grossly unfair to peg anything to a pre-war level. I can assure members that the 40 per cent increase was not lightly undertaken by the Government, but was fixed only after a careful examination. If this clause is not carried it will bring about an unfair hardship to landlords, because anyone coming into the industry now and building houses is not subject to control. We would be pegging a section of people to a basis of rental that could not be justified under any circumstances. I ask the Committee to support the clause, which I regard as vital to the Bill.

Mr. O'HALLORAN—The Premier referred to the fact that people building at today's costs are exempted from control, but there is a vast difference between today's costs and the costs of houses still subject to rent control. Members on this side of the House have opposed an increase in rents because these houses were built at lower prices, and if people have bought them since as a speculation they deserve all they get. Despite what the Premier said, I doubt if there is any other really sound investment where the investor can get 40 per cent more than he got in 1939. We must remember that an increase in rents, whether of 33½ per cent or 40 per cent, deals to increases in rates and taxes, which increases have to be borne by the lessee and therefore become an onerous burden on him. I join with the member for Norwood, in the hope that the Committee will reject this clause out of hand.

The Committee divided on the clause:—

Ayes (19).—Messrs. Bockelberg, Brookman, Geoffrey Clarke, Coumbe, Goldney, Hambour, Harding, Hincks, Jenkins, King, Laucke, Sir Malcolm McIntosh, Messrs. Millhouse, Pattinson, Pearson, Sir Thomas

Playford (teller), Messrs. Quirke, Shannon, and Stott.

Noes (15).—Messrs. Bywaters, John Clark, Corcoran, Davis, Dunstan (teller), Hughes, Hutchens, Jennings, Lawn, Loveday, O'Halloran, Stephens, Tapping, Frank Walsh, and Fred Walsh.

Pair.—Aye—Mr. Heaslip. No—Mr. Riches.

Majority of 4 for the Ayes.

Clause thus passed.

Remaining clauses (4 to 8) passed.

New clause 2a—"Exemption from Act."

Mr. DUNSTAN—I move the insertion of the following new clause:—

2a. Section 6 of the principal Act is amended by adding the following words at the end of subsections 2 (c) and 2 (d) thereof.

"and which, in the case of any such lease entered into after the passing of the Landlord and Tenant (Control of Rents) Act Amendment Act, 1957, provides for a rental not in excess of twice the rental which was pursuant to this Act last applicable to the dwelling when the provisions of this Act applies to it."

and by adding the following words at the end of subsection 2 (b) thereof:—

"provided that, in the case of any such lease entered into after the passing of the Landlord and Tenant (Control of Rents) Act Amendment Act, 1957, the rental payable is not in excess of twice the rental which was pursuant to this Act last applicable to the dwelling when the provisions of this Act relating to the control of rents applied to it."

As the Act stands, section 6 exempts certain premises from its provisions. Sections 6 (2) provides that the Act shall not apply to certain leases, and it is provided that the Act shall not apply with respect to any lease in writing of any dwellinghouse the term of which is for three years or more and which is entered into after the passing of the amending Act of 1953; and with respect to any lease in writing of any dwellinghouse the lease of which is two years or more and which is entered into after the passing of the 1954 amending Act. So, in these cases, the premises are released entirely from the provisions of the Act. Another provision is that if any lease in writing of any dwellinghouse is entered into after the passing of the 1955 amending Act, and if the lease provides that the term shall commence from a date specified in the lease and shall terminate upon a date specified in the lease, then the provisions of the Act relating to the control of rents shall not apply with respect to any rent payable under the lease in respect of the term so specified.

If at this stage of proceedings a landlord obtains from a prospective tenant or from an existing tenant a lease in writing for two years or more he has these premises entirely released from the provisions of the Act, and if he obtains a lease in writing for a definite term of less than two years he has these premises for the period of that term entirely released from the rent control provisions of the Act, although not from the provisions relating to the recovery of premises. At the moment what is happening is that very high rentals are being asked for premises built prior to the amendments of 1954 and 1955, at a time when they would have been subject to the Act.

In his second reading speech the Premier made it clear that the Government realized the necessity for the retention of rental control. What is happening relating to leases? People are being evicted from houses, particularly those who have become subject to eviction under section 55(c). Only a small proportion of these can get into Housing Trust rental homes or trust emergency homes, under section 55(c). They have to find accommodation elsewhere, and must fall back on the houses which are becoming available for families of their type and which are owned by private landlords. In many instances the landlords let only a portion of a house. If there is a lease in writing, there is no rent control whatever. I know of cases in my district where a man and wife with two or three children are being put into one room, with the use of conveniences, and asked £5 5s. a week. They take the place because there is nowhere else to go. When a man has dependent upon him a wife and two children and his wages are just over £14 a week, I do not know how he makes ends meet after paying a rental of £5 5s. a week. He certainly could not make ends meet too well and provide for the needs of his children. In 1944 a commission on housing made it clear that a certain proportion of a man's income should be paid for rental. For a man with a family and an income of £14 a week a maximum rental would be £3 10s., and yet these people are being asked to pay £5 5s., and have to pay it because there is nowhere else for them to go; and this is being demanded of them in respect of premises for which the Housing Trust would not have allowed more than 22s. 6d. at the most when it had control. In this case it would not have been as much as that. This is not the only case and I am well aware that the Premier referred to the Housing Trust another case where a lady owned certain buildings on property at North Glenelg

and secured possession of the larger of them, which had a few sticks of furniture, on the ground that she wanted it for herself, but after a period let these premises on lease as a boarding house. The tenant was a migrant and had to pay £500 down for the furniture to purchase the goodwill of a non-existent boarding house and £10 10s. a week rental. The controlled rent was much less and the trust report states, "On the face of it, it would appear that there has been exploitation of migrants." That is a mild description. This is not an isolated instance. I doubt whether there is a member representing a metropolitan constituency who does not know of cases where the rentals being demanded under lease far exceed fair rentals; in other words, landlords are exploiting the scarcity of houses. It has grievous results. The tenant is put to grave hardship because he must provide a shelter for his family. This answers Mr. Laucke's question regarding what happens to houses not under control. There are premises within a stone's throw of my home in Norwood where the rental charged is more than 400 per cent on the original controlled rent. Tenants cannot afford such rent, but are living in difficult circumstances and find it hard to care for their children.

Mr. Jennings—They cannot afford not to pay it.

Mr. DUNSTAN—Yes. Something must be done to meet the situation. I believe these premises should not have been released from control. However, they have been and I appreciate the viewpoint expressed by the Housing Trust in its report to the Premier—and a view expressed by members opposite—that as people have entered into business arrangements upon the basis of the Act as it stands, it is difficult to interfere with those arrangements and unfair to make retrospective provisions. As it is the Government's policy to release these premises from controls gradually I have tried to frame an amendment which will meet its objections, but which, at the same time, will ensure that the rentals charged under leases are not grossly unfair. I propose that in respect of future leases which would at present be exempt under section 6 (2) (c) and (d) and under subsection (2b), they will only be exempt if the rental provided does not exceed twice the last controlled rental. That allows for a 100 per cent increase on the controlled rent, which is fair. It cannot be claimed that the landlord is being unfairly treated. After all, he has already had increases on the 1939 level. In almost every instance landlords would have received 33½ per cent increase—and in some

exceptions 27½ per cent increase—on the 1939 level, and they could get 100 per cent on top of that, plus the increased cost of outgoings previously permitted. The amendment does not affect existing leases. This provision will assist those who are at present suffering grievous hardship and will in due course have an anti-inflationary effect. There is no doubt that there are instances where the rent charged under lease is grossly inflated.

Mr. Quirke—Would this provision apply to cases where there is more than one lease in respect of one building? Would the landlord get 100 per cent in respect of each lease?

Mr. DUNSTAN—Yes, but at the moment the landlords are getting much more. There are tenement houses in my district—some of which would normally be condemned by the local board of health—where the rentals are fantastic and represent far more than the amount being paid over a period for the purchase of substantial homes. We must do something and I urge members opposite to accept this amendment.

The Hon. Sir THOMAS PLAYFORD—As I understand the amendment, it provides that in cases where the Act no longer applies to certain premises because they are under lease, if an agreement is entered into in the future for a rental that is more than twice as much as was permitted when the premises were controlled, those premises will be recontrolled. I am not quite sure of the effect, but I conclude that the trust would then fix a rent in the ordinary scale at the present day level. Therefore, to avoid having his premises recontrolled a landlord would have to determine the pre-existing rent of that building and then he would know that, if the rental of the building when last fixed by the trust was £1, he could charge £2 without having his premises recontrolled; but if he charged more his premises would be recontrolled and he would have to stand inspection by the trust and have his rent fixed in a general way.

There are, of course, one or two administrative problems concerning this amendment. My experience has been that the worst exploitation is not by homeowners but by the person who leases a house and then sublets rooms. I have tried to visualize the effect of the amendment on such a case but I cannot clearly follow its administration. I know of one case in which a 10-roomed house was leased at a moderate charge and then subdivided, the lessee living in a couple of rooms and charging almost the total amount of the original rent for each of the remaining rooms. How does

the amendment deal with that case? It uses the word “dwelling,” but I point out that previously a rent has not been fixed for a part of premises: it was previously fixed for the whole premises. That case shows a most glaring anomaly and does not seem to be provided for under the amendment.

Mr. DUNSTAN—I appreciate the difficulty seen by the Premier, but I think it is covered by the previous administration of the trust. There were previously cases in which part of the premises was divided and let, a portion at the originally controlled rental. The trust would then assess the amount of the originally controlled rental that was applicable.

The Hon. Sir Thomas Playford—The honourable member talks about the amount fixed by the trust, but in the case I mentioned the trust had not fixed an amount because the division had not taken place.

Mr. DUNSTAN—In previous cases where the trust made no new fixation it could hold the landlord to a proportion of the originally fixed rental for that dwelling once part of the dwelling had been let separately. This was done, although not specifically provided for under the Act: it had to be done administratively. If the Premier feels this should be coped with clearly in the legislation I can shortly amend my provision to cope with that objection. It will not create much trouble. What could easily be done administratively is that the trust could assess the amount of the last applicable rental applicable to the particular place so that any landlord intending to subdivide in that way and letting out a lease in writing could ascertain from the trust what would be the last applicable rental on that portion of the premises. That was what the trust did previously when a man sublet portion of premises the whole of which was controlled as to rental.

Mr. Quirke—If I purchased a home that had never been under rent control and I kept two rooms for myself and sublet the rest in the way you suggest, would your amendment cover me?

Mr. DUNSTAN—No. My amendments cover only those premises that were originally subject to the Act and have become exempt or will become exempt in the future. They will not apply to premises which have never been subject to the Act.

The Hon. Sir THOMAS PLAYFORD—I accept Mr. Dunstan's explanation of the Housing Trust's policy with regard to fixing rents, but a person who sub-lets rooms in a house could not know what the policy of the trust

would have been. The amendment has certain practical difficulties associated with it, for it is a rule of thumb proposal. I might have a house for which the trust fixed a rent of 30s. a week the last time. I could spend £1,000 on renovations to make it an excellent property, but under the honourable member's formula I would be in exactly the same position as if I had not spent one penny on it. I would be loath to agree to a limit of the type the honourable member proposes, though it is not an ungenerous limit. However, if we accepted the amendment many landlords might double the rent on the ground that Parliament expressly permitted it. Therefore, his rule of thumb proposal may not ultimately be in the best interests of tenants. Another serious objection is that the Government has on many occasions stated that it believes in freeing the community of controls whenever possible, and the amendment would bring back under economic control a large section of the community. This afternoon one honourable member said that I was opposed to this legislation on principle, and he was quite right. We deplore the necessity for this type of control, so I would be loath to accept the amendment.

Mr. O'Halloran—Irrrespective of the justification for it?

The Hon. Sir THOMAS PLAYFORD—No, I said I would be loath to accept it. The amendment provides for a rule of thumb method which does not take into account the merits of each case. Take the case of a house the rent of which was fixed by private negotiation at a very low figure during the depression. That low rent in many instances carried on to the war. Then, for some reason, immediately after the Landlord and Tenant Act came into operation it was vacated and the owner himself lived in it and has been living in it ever since. He now seeks to lease it. The last fixed rent was the rent fixed in the depression years and might have been as low as 15s. a week. Under a general principle of this sort, double that figure would be the permissible rent which could be adopted under a lease.

The honourable member will see that a rule of thumb method of this kind can present difficulties in administration, and I think it would be unwise to adopt it. In those circumstances I ask the Committee not to accept it.

Mr. DUNSTAN—The Premier referred to the amendment as a rule of thumb method which would unfairly restrict landlords. He mentioned the case of a landlord who had let

his place at a very low rental until the beginning of the control period and then lived in it himself and now proposes to let it. The Premier stated that in those circumstances the last rental would be a very low one. He also referred to the case where a low rental had been justly fixed and the landlord had subsequently spent a good deal of money on the premises which would not be taken into account. A landlord has a very obvious way out in either of those instances. Before any lease is executed—in other words, before the premises are released from control by the execution of the lease—a landlord can go to the trust and get a new rental fixed which takes into account the situation of the premises now and their 1939 rental. He can do that without the slightest difficulty. Once that rental is fixed it becomes the last applicable rental of the premises, and he can then get a lease which takes them out of control providing he does not charge more than twice the amount fixed. He can always see that the last applicable rental in the case of any new lease to be executed is an up to date rental, and his doing that will cope with all the anomalies which the Premier has mentioned.

The Premier has said that by fixing double the last controlled rental we are fixing a not ungenerous amount and that everything is likely to come up to that amount. I do not believe that any landlord who is now charging less than that amount would be induced by this legislation to charge up to double. If a landlord is now charging less than double he is doing it because he believes that to be a fair amount and has negotiated it privately with a tenant for whom he has personal consideration. If he charged up to the full amount he could get at this stage he would be charging more than double, and it is such people that this amendment is designed to cope with.

With regard to the Premier's last objection, namely, that it has been the policy of the Government steadily to release premises from control, I remind him that he made a very considerable release from control by the amendment to section 55 (c) at the end of last year and that he himself found it necessary to call Parliament together again shortly afterwards to enact the safeguarding provisions, the lack of which I protested about at the time section 55(c) was passed. It sometimes happens that the releasing of control does bring about real hardship. My submission is that the placing of this ceiling, which is a ceiling not nearly as inflexible

as the Premier appeared to consider it, is not an ungenerous provision as far as landlords are concerned. It is not placing a hardship upon them, and at the same time it is putting in a real safeguard for tenants who are now being exposed to real exploitation because of the housing shortage. We have to take the grave housing shortage into account in considering the method of release from these provisions. If the housing market were a buyer's and not a seller's market, members on this side of the House would not be particularly worried about controls at all because they would not be necessary. If houses were vacant the market itself would fix the level, but where the supply is as short as it is it is obvious that people can, and in many cases do, take unfair advantage of it.

Mr. Jennings—That was the reason for the introduction of the legislation in the first place.

Mr. DUNSTAN—Yes. I believe some safeguard has to be made in those circumstances. In view of my explanations, I ask the Premier if he will reconsider the remarks he has just made.

Mr. LAWN—I support the amendment. I regret the attitude taken by the Premier, because I feel that in support of his amendment the member for Norwood was factual, logical, reasonable and fair, and I think everyone will agree with that. The Premier said that he was loath to disagree with the amendment, but he mentioned certain eventualities which could take place. The member for Norwood has adequately answered the Premier's objections. He pointed out that the owner could at any time seek a new rent fixation, and that fixation would then be the last applicable rental. I am more than ever convinced that this Committee could not reasonably object to the amendment, the object of which in the first instance is to prevent the exploitation and profiteering which has taken place since the Government eased controls. I appreciate that it is the Government's intention to ease control. It is at least reasonable to expect that when these controls are being eased there should not be any abuses. The Premier well knows of a case I mentioned relating to the Adelaide City Council in which he quite honestly disagreed with the council's action. Another case I mentioned today was that of a man with a wife and three children who had to vacate one home and take a house at £6 a week, under an agreement. In

about March this year I visited a German migrant who had not been in this country very long and who was living in three rooms of a house at Hilton. This man was earning £14 a week, and the rent he had to pay under an agreement was £7 a week. This house was not owned by a poor woman, but like many others, belonged to a large business enterprise. The amendment seeks to deal with cases like this, and to stop abuses that have resulted from an easing of the legislation.

As regards the Premier's suggestion that householders will take it for granted that Parliament has approved of a 100 per cent increase in rents, let me draw an analogy with price control. The Premier has said time and time again that when prices are fixed there is no obligation on sellers to charge the full prices, because the fixed prices are the top prices. The member for Norwood seeks a similar principle in this amendment and, alternatively, that the houses shall come back under the control of the trust. The Premier, as Prices Minister, on occasions has decontrolled clothing from price control, but because of abuses has recontrolled it, yet the Government has set out to decontrol rents of premises occupied under leases or agreements. I do not think the Premier would deny that he knows of abuses under this Act. We do not ask him immediately to recontrol these premises, but to see that no further abuses will occur by providing that the owner of premises taken away from the control of the trust shall not charge over 100 per cent more than the last fixed rental or the rent will again be controlled by the trust. This is in conformity with the Government's attitude on price control. On behalf of the people who may in the future be exploited, I ask the Premier to reconsider the matter and see if he cannot agree to the amendment.

Progress reported; Committee to sit again.

METROPOLITAN AND EXPORT ABAT-TOIRS ACT AMENDMENT BILL.

Returned from the Legislative Council without amendment.

EVIDENCE ACT AMENDMENT BILL.

Received from the Legislative Council and read a first time.

ADJOURNMENT.

At 9.39 p.m. the House adjourned until Wednesday, October 16, at 2 p.m.