

LEGISLATIVE COUNCIL.

Tuesday, October 21, 1952.

The PRESIDENT (Hon. Sir Walter Duncan) took the Chair at 2 p.m. and read prayers.

ASSENT TO ACTS.

His Excellency the Lieutenant-Governor intimated by message his assent to the following Acts:—Fruit Fly Act Amendment, Supreme Court Act Amendment, Public Officers' Salaries, S.A. Gas Company's Act Amendment, Port Augusta Sub-Branch R.S.S. and A.I.L.A. (Purchase of Land) and Health Act Amendment Acts.

QUESTIONS.**STATE TIME SERVICE.**

The Hon. E. ANTHONY—Can the Minister of Education say how the astronomical work, since its transfer from the observatory to the University, which was formerly rendered by a State department, is now to be performed?

The Hon. R. J. RUDALL—The position of Government Astronomer was, I think, abolished in August, 1946, since when the services of the previous Government Astronomer, Mr. Dodwell, were retained until recently in connection with the time service, which is now a Commonwealth activity. If the honourable member will give me a specific list of the activities to which he refers I will go into the matter and try to answer his question.

CORNSACKS AND WOOLPACKS.

The Hon. W. W. ROBINSON (on notice)—

1. Who are the members of the Jute Committee appointed for the purpose of purchasing cornsacks and woolpacks?

2. How many bales of cornsacks and woolpacks have been purchased by the Australian Wheat Board for the 1953-54 season and what prices were paid?

3. What prices are purchasers of wheat being charged for cornsacks—(a) in this State; and (b) in other States?

4. What profit has been made by the Australian Wheat Board on the sale of cornsacks and for what purpose has this profit been applied?

5. It is the intention of the Government to make any further inquiries into the position?

The Hon. A. L. McEWIN—The replies are:—

1. The Commonwealth Government is responsible for all purchases of cornsacks and woolpacks, and approves of the buying programme

and policy for each financial year. The jute buying authority is constituted by the Commonwealth Government, and the officers appointed in this connection are—Jute Buyer and Jute Controller, Mr. J. A. Stevenson.

2. For 1952-1953 season, the Australian Wheat Board had 124,626 bales on hand as at May 31, 1952, estimated purchases to April 30, 1953, amount to 117,250 bales. Average price per dozen for stock on hand as at 1st May, 1952, was 70s. 10.044d. per dozen, and estimated cost of purchases is said to be 41s. per dozen. No details are available from the Commonwealth Controller on woolpack purchases for 1952-1953, or for cornsacks and woolpack purchases for 1953-1954 season.

3. (a) South Australia:—55s. 6d. a dozen to produce trade (once used sacks); 55s. dozen to millers (once used sacks). (b) Other States:—Same price when bags purchased, but it is pointed out that bulk wheat is sold to millers in New South Wales and Victoria.

4. Australian Wheat Board claimed a loss of £90,663 for 1951-1952 trading, which is included in cost of new cornsack stock on hand as at May 1, 1952. Any profit made on sale of once used cornsacks round wheat is understood to be paid to growers; since 1939 this would exceed £1,250,000.

5. No reply has yet been received from the board to the last approach made by the Prices Commissioner.

FRIENDLY SOCIETIES ACT AMENDMENT BILL.

Returned from the House of Assembly without amendment.

METROPOLITAN AND EXPORT**ABATTOIRS ACT AMENDMENT BILL.**

Received from the House of Assembly and read a first time.

HOSPITALS ACT AMENDMENT BILL.

Returned from the House of Assembly without amendment.

ELECTRICITY TRUST OF S.A. ACT AMENDMENT BILL.

Received from the House of Assembly and read a first time.

URANIUM MINING ACT AMENDMENT BILL.

Read a third time and passed.

PHARMACY ACT AMENDMENT BILL.

Second reading.

The Hon. A. L. McEWIN (Minister of Health)—I move—

That this Bill be now read a second time.

The object of the Bill is to provide for the registration as pharmaceutical chemists of persons with foreign pharmaceutical qualifications. The position at present is that where a person has obtained such qualifications outside South Australia the Pharmacy Board can only register him if he obtained them from the Pharmaceutical Society of Great Britain, or from a college or board of pharmacy recognized under the regulations. This means, in practice, that migrants coming to this State with non-British qualifications as chemists, the class of persons which the Bill is designed to assist, cannot be registered, as only a limited number of colleges or boards of pharmacy, all of which are in the British Commonwealth, are recognized under the regulations. It would not be desirable to extend the number of recognized bodies without reciprocity, which could often not be achieved, nor would it be desirable to recognize colleges or boards which required a lower standard than that obtaining in this State. In addition, the registration would be unconditional, so that there would be no way of ensuring that an applicant had a sufficient knowledge of English, of British pharmaceutical practice or of forensic pharmacy in this State.

Following a resolution passed by the Federal Council of Pharmaceutical Societies of Australia in May, 1951, the principle adopted in the Bill has been to enable the board to deal with each case on its merits. The board is empowered to register a person with foreign qualifications who has undergone an examination in English, and such further training as the board considers necessary in the light of his qualifications.

The details of the Bill are as follow:— Clause 3 amends section 22 of the principal Act to provide that a person with foreign qualifications is entitled to registration after he has satisfied the board that he has an adequate knowledge of English, has passed such examinations as the board directs, and has served in a chemist's business for such period as the board directs. Clause 4 contains amendments consequential on clause 5. Clauses 5 and 6 make consequential amendments respecting the forms of statutory declaration to be used in applications for registration. Last year the Pharmacy Board thought it could overcome

the problem by means of a regulation, but it was found that it could not be done under existing legislation, and this Bill therefore gives effect to the desires of the board. I think it is in line with what has been done in the medical sphere and is a reasonable amendment which should commend itself to members.

The Hon. K. E. J. BARDOLPH secured the adjournment of the debate.

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

Adjourned debate on second reading.

(Continued from October 14. Page 896.)

The Hon. C. R. CUDMORE (Central No. 2)—Members are probably quite as tired of hearing me on this subject as I am of discussing it, but we have hoped for years—and hope springs eternal—that some day we will not have to discuss it any further. Anyone who drives around the city and its environs must realize the tremendous amount that has been done in the way of housing. This State is not behind any of the others in its efforts to house both local people and immigrants, and the legislation is before us again simply because there is still an insufficient number of small dwelling-houses available. Although in other matters, such as prices and building materials, I have been in favour of wiping out controls, in this case perhaps, particularly as regards small dwellings, we have not reached that stage. As the Minister said, last year, as the result of the report of a committee, we reviewed the whole legislation and made a considerable number of alterations to it but without going anything like far enough in assisting the unfortunate landlord with whom I am concerned. This Bill merely corrects a number of minor mistakes made in the Bill last year and extends the life of the legislation for another 12 months. It is a committee Bill and there is no point in discussing the clauses at this stage. One either opposes the continuation of the legislation or agrees to the second reading. Since 1939 Sir Wallace Sandford and other members and I have tried every year to obtain some consideration for the landlord instead of the legislation entirely favouring the tenant. I give credit to this Government for being the first in Australia to wake up to the necessity for rent control.

The Hon. K. E. J. Bardolph—It was done by regulation during the war by the Commonwealth Government.

The Hon. C. R. CUDMORE—I remind the honourable member that that was done under

National Security Regulations, but every member of the Federal Labor Party voted against the National Security Act, therefore the honourable member should be consistent and vote against this Bill. When the legislation was introduced here in September, 1939, some members who thought it was necessary suggested that it should be limited to smaller houses with rents of less than 25s. a week. That was not done and the rents of all dwellinghouses have been controlled since then. In debating the continuation of this legislation last year, and in considering amendments suggested by the Gillespie Committee, I pointed out the effects of similar legislation in other countries when continued indefinitely. In France there has been control of rents since the first war and as none of its Governments has lasted long enough to deal with the legislation it has remained with disastrous results to the country. Houses have fallen into disrepair because the landlords cannot get sufficient rent to carry out improvements or repairs. The same situation is arising in England.

I approach this subject with the conviction that we must dispense with these controls or we will have the same situation here. I need not repeat the painting and other costs which I quoted last year. The cost of living is rising, people are getting higher wages and the costs of repairs and painting are increasing correspondingly, but landlords are not getting higher rents. They can go to the Housing Trust and obtain an increase to cover higher rates but, as the Minister said in his second reading speech, the policy of the Government has not altered and it is intended that this legislation will continue for another year. I realize that the housing shortage has not been overcome and I am prepared to support the second reading with a view to still controlling the rents of dwellinghouses.

The history of the control of business premises is rather interesting. In 1939, as a war measure, this State was the first to control the rents of dwellinghouses. In 1940 the Commonwealth passed the National Security Act to which Mr. Bardolph referred, and under that Act regulations were made controlling rents and most States adopted them. Our rent control legislation was considered to be reasonable and the National Security Regulations never applied here except as regards evictions. When those regulations were declared invalid in 1948 every State had to amend its legislation and South Australia for the first time not only incorporated the eviction regulations which have been enforced under the Commonwealth law but

suddenly controlled rents of commercial and office premises. I have always thought that unnecessary and if we are to get anywhere and make a beginning in decontrolling the affairs of ordinary people it is time we considered decontrolling the rents of business premises. There is no objection to the Government making regulations for Government purposes, but it should not interfere with agreements between individuals.

The Hon. A. L. McEwin—Agreements are permitted now.

The Hon. C. R. CUDMORE—We were successful in having an amendment passed which enabled business people to make private agreements, and if they could not agree it was provided that they must have the matter decided by the Housing Trust. In practice, as far as I have been able to judge, with my limited experience, most people owning buildings simply say to their tenants "We will leave it to the trust." Paringa building has not enough room to hold the staff of the trust and if we perpetuate these controls a number of people will be kept from production in fixing rents and interfering with ordinary business affairs. We should examine the position to see whether, as a Parliament, we are not in danger of perpetuating this control and permitting the Government to forever decide what our dealings should be with our neighbours and those with whom we do business every day.

The Hon. A. L. McEwin—When parties do not agree they can resort to arbitration and that is not new.

The Hon. C. R. CUDMORE—Arbitration has been going on for years in connection with deciding the meaning of a contract. The legislation enables persons to make agreements as to rents; if they do not agree they need not do business in the ordinary way.

The Hon. A. L. McEwin—They need not have an arbitrator, either.

The Hon. C. R. CUDMORE—We have eviction provisions, but we cannot push people out. I want to free business premises altogether from this legislation. All these war-time restrictions and controls are an interference with the ordinary law of the land. In the past the ordinary law looked after these things very well, but this is putting control into the hands of the Government. I do not take any notice of the dummy trusts that exist.

The Hon. K. E. J. Bardolph—What dummy trusts are you talking about?

The Hon. C. R. CUDMORE—I am talking about the Electricity Trust and the Housing

Trust. Business people cannot be pushed out of premises and their rent raised if they say, "No, I do not agree to increasing the rent." If they cannot agree their rent is fixed by the Housing Trust, but I want to get rid of all that. It is not right that business should be interfered with to that extent and I hope that we will do something which will free people from the control we have reimposed year after year. It is time we made a real effort to decontrol something. I have a number of amendments on the files, some of which are for new clauses, but they will not interfere with the special provisions in Part VII. of the Act dealing with hotels.

From 1939 to 1948 this legislation applied only to dwellinghouses. In 1948 we suddenly entered the field of commercial premises, which we did not then control, although other States did. It is time we went back to the really essential purpose for which we passed this legislation in 1939, reorganized it in 1942 and again last year. It was enacted as a war measure in the first place because it was felt that the wives of men who were going away to World War II. might have their rents increased. We should endeavour to allow people to return to some form of freedom whereby they can do what they like with their own property, without Government control. The effect of my amendments will be to decontrol the rents of everything except dwellinghouses and hotels. I will explain the amendments fully if and when this Bill gets into Committee. I hope members will look at the real principles behind them and not at the details. The principle will effect, in my opinion, some measure of decontrol which is long overdue. I support the second reading.

The Hon. K. E. J. BARDOLPH (Central No. 1)—I support the second reading. I am sure that all members are pleased to see the Leader of the Opposition, Mr. Condon, in our midst this afternoon. He had the regards of all for a speedy return to health during his enforced absence from Parliament through illness and his presence here today is welcomed by all of us. He has endeared himself, not only to members of the Labor Party, but to everybody by his genial and courteous manner. Mr. Cudmore's speech was actually a Cook's tour. He went to France and Canberra and gave us a resume of proceedings in Canberra. I have heard him caustically criticize the proceedings broadcast from Canberra. Today he mentioned how Labor members voted on the National Security Act in 1939. It seems that

his remarks were prompted because of the Labor victory at the Victorian by-election for Flinders, where the great majority of people in that blue-ribbon seat—

The PRESIDENT—Order! The honourable member will have to get back to the Bill.

The Hon. K. E. J. BARDOLPH—Mr. Cudmore contended that a continuance of the National Security Regulations was necessary to protect widows and dependants of those who fought in World War II. and with that I agree. He also referred to the high costs which had fallen on the shoulders of landlords in effecting repairs to their houses and doing other things essential to their preservation. Had it not been for the pegging of rents the inflationary spiral, which he is always complaining about, would be much higher than it is today because rent is probably the major item considered in fixing the basic wage. If rent is allowed to get out of control and reach an internal inflationary spiral—

The Hon. C. R. Cudmore—Has the rent of offices anything to do with that?

The Hon. K. E. J. BARDOLPH—Not directly, but the honourable member spoke about house rentals. I am not passing any opinion on his amendments until I know what their real purport is. I mention these things because Mr. Cudmore took us to France, but there can be no analogy between Government, as constituted in Australia and particularly in South Australia, with Government in France.

The Hon. E. Anthoney—Why not?

The Hon. K. E. J. BARDOLPH—France has a Government for an hour, or even five minutes, but in Australia we have Governments with some secure tenure. I am hopeful that there will be a change of Government here shortly whereby Labor policy can be implemented. As Mr. Cudmore said, the Bill will continue rent control for another 12 months and remove errors which have crept into the legislation. Clause 5 provides for determining the form of receipt to be given to people who rent caravans. We will always find people who think they are ultra-clever in evading legislation which has been passed in the interests of the community in general. The Bill will prevent any racketeering in rental charges for caravans. If a laundry or other service is provided the rental must be specifically stated on the receipt and not included in one lump sum. The Bill will also extend the period in which Court action can be taken for offences under section 60 (notice to quit) from six months to twelve.

The Hon. S. C. Bevan—Rental has to be stated on the receipt?

The Hon. K. E. J. BARDOLPH—Yes. I compliment the Parliamentary Draftsman for the manner in which the amendments to this legislation have been collated and printed in one composite Bill. Previously it was necessary to get all the amendments and read them in conjunction with the original Act in order to understand them.

The Hon. C. R. Cudmore—You should compliment us; we insisted on that being done.

The Hon. K. E. J. BARDOLPH—I have no desire to step in front when the band begins to play. The redrafting of the Act was the result of recommendations by a Committee of Inquiry set up to deal with the question of rent control. Although we considered ourselves erudite legislators we made mistakes when we amended the Act from time to time, but the Bill will right them and place the legislation in strict conformity with the decisions of the Committee of Inquiry.

My next point deals with the Housing Trust as the authority for fixing rents. Mr. Cudmore castigated the activities of the Housing Trust by referring to dummy trusts. Much of the responsibility for the control of housing and the fixation of rents has been delegated to the Housing Trust, and, that authority having been established by Parliament, no member should attempt to decry it by referring to it as a dummy trust. If there is anything wrong let us put something before Parliament to rectify the anomalies. I have no quarrel with the Housing Trust, but it does seem to be an anomaly that it should be both advocate or prosecutor and department. Labor says that rents should be controlled by some central authority—such as a fair rents court, or central housing authority, term it what you will—to adjust differences between landlords and tenants. We support the second reading and will give due consideration to the amendments which have been foreshadowed and, as always, will vote in the interests of democracy.

The Hon. E. ANTHONY (Central No. 2)—Last year, as the result of the report of a committee set up for the purpose of inquiring into the operation of this legislation under the able chairmanship of Mr. Gillespie, S.M., we made certain very drastic amendments to the Act. Most members will recall how very difficult it was to follow them on account of the obscure numbering of the various new sections, but that difficulty has now been overcome. We

all regret that we have not reached the stage where we can throw off all controls, but as the result of the inquiries of the committee and the volume of evidence from a great number of witnesses—some of whom, admittedly, may be regarded as biased on the side of the landlord—we are compelled to admit that the time has not yet been reached. The sooner we can get back to the days of free bargaining the better, but I think we should ask ourselves the reason for controls, which is, basically, to protect one man from another. Neither all landlords nor all tenants are angels, and the legislator has to try to adjust the balance in a way that is reasonable for the general community. While the Bill confirms the principles of the old Act it clarifies certain provisions in last year's enactment. For instance, the old definition of dwellinghouse gave rise to considerable confusion, and as the result of a High Court decision a dwellinghouse is now defined as premises used wholly or substantially as a residence. The Bill also deals with the vexed question of rents of caravans. We all know of the difficulty that municipalities have experienced in controlling this gypsy mode of living. I suppose some people even if they could occupy a mansion tomorrow would prefer to continue to live in a caravan.

The Hon. K. E. J. Bardolph—The majority are forced to live that way.

The Hon. E. ANTHONY—I regret to say that that is so, but it has been found that some lessors of caravans have found loopholes in the Act whereby they can charge a higher rent than that fixed by the trust and to overcome that the Bill prescribes that the various items which go to make up the total rent shall be enumerated upon the tenant's receipt. It has been found, as was predicted last year, that the amendment we then passed permitting an increase of rents by about 22½ per cent has resulted in a rush of applications for rent adjustments. To deal with this work the trust has had to take on more staff and in this connection I refer to the following comment by the Auditor-General:—

The South Australian Housing Trust is required by the above Act to fix rents of dwellings and business premises. Any landlord or tenant may apply to the trust to determine the rent payable. Legislation was passed in 1951, which permitted a general increase of 22½ per cent in rents over the 1939 level and allowances for special increases in rates and taxes and maintenance incurred by the landlord over the 1939 level of costs. Mainly as a result of that legislation the number of rents finally dealt with increased from 4,227 in 1951 to 9,105 in 1952, and, in addition, 1,205 rents

were provisionally determined. The staff engaged on rent control has been doubled as a result of the amending legislation. The cost of administration for the year was £21,521 (£11,401 in 1951) of which £18,920 was recoverable from the Commonwealth Government. The difference between the cost to the State and the reimbursement from the Commonwealth is due to the fact that under the agreement between the Commonwealth and the State the cost of fixation of rents for Government departments, office furniture, and certain other items, is not met by the Commonwealth.

I point that out simply to show that although some members may not regard the trust as an ideal body to decide rents it did a particularly good job in dealing with nearly 40,000 applications from the time the original legislation was passed.

The Hon. A. A. Hoare—Do you think we could get anything better?

The Hon. E. ANTHONY—Some States have fair rent courts. It is a rose by another name, but I find that they cost considerably

more in administration, and probably do not do a better job than our Housing Trust. Another provision of the Bill deals with the obligation of the trust to take notice of any appeal that tenants may make. That is to say, if there is a dispute between a tenant and a landlord concerning rent the tenant may lodge an appeal to the trust and the trust is bound to take notice of the appeal, so in that respect the Bill is an improvement.

The Hon. K. E. J. Bardolph—They could do that before.

The Hon. E. ANTHONY—It is provided for in this Bill. As it does nothing to interfere with the policy of the Act it will have my support.

The Hon. F. T. PERRY secured the adjournment of the debate.

ADJOURNMENT.

At 2.59 p.m. the Council adjourned until Wednesday, October 22, at 2 p.m.