

Queensland



Parliamentary Debates  
[Hansard]

**Legislative Assembly**

**WEDNESDAY, 8 NOVEMBER 1961**

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Mr. SPEAKER (Hon. D. E. Nicholson, Murrumba) took the chair at 11 a.m.

QUESTIONS

BURDEKIN IRRIGATION, HYDRO-ELECTRIC AND FLOOD MITIGATION PROJECT

Mr. COBURN (Burdekin) asked the Premier—

“As the Burdekin River near the high-level bridge is completely dry, irrigation supplies severely rationed in the tobacco areas, underground supplies in the cane areas of the Lower Burdekin within two feet of an all-time minimum level, threaten-

ing a record low and salt water infiltration, if unreplenished by December, will he submit the strongest case to the Commonwealth Government at the earliest possible time in an endeavour to induce them to make finance available for the completion of the Burdekin Irrigation, Hydro-electric and Flood Mitigation Project on terms identical with those that apply in connection with the construction of the Snowy Mountains Hydro-electric and Irrigation Scheme?"

**Hon. G. F. R. NICKLIN** (Landsborough) replied—

"I share the concern of the Honourable member in regard to the supply of water for irrigation in the Clare, Millaroo and Dalbeg areas, and for sugar cane in the Burdekin Delta, although the position does not appear to be quite as grave as he indicates. I am advised that supplies to the settlements of Clare, Millaroo and Dalbeg have to date provided full requirements, but unless there is rain on the catchment and some flow in the river, all supplies could be exhausted by the end of November. Also, although it seems that water levels in the Burdekin Delta have receded considerably, measurements in September of twelve observation wells established by the Irrigation and Water Supply Commission would appear to indicate that at least in these areas the water levels at that time were 4 feet to 5 feet above the previous worst experienced. Furthermore, it must be realised that although the supply position in both areas may result in serious shortages for the present year, in the Clare, Millaroo and Dalbeg areas this will be the first occasion that full demands have not been met since the areas were established, and in the Burdekin Delta it will have been the first occurrence of serious shortages since 1935, and if these shortages do eventuate, it will not necessarily result in complete crop losses. It will therefore be seen that the expenditure of over £20 million for the next stage planned for the Burdekin Irrigation Project could not be justified in regard to Clare, Millaroo and Dalbeg areas, and the Burdekin Delta alone. Such expenditure would require additional development for which water supply would be available. Unfortunately, experimental work on use of the heavier flood plain soils that would require to be developed in the next stage of the Burdekin has not indicated the practicability of use of these soils under irrigation, to the extent that the Government could recommend their settlement for irrigated production. It will be appreciated that it is necessary to have sound experimental experience to indicate that irrigated production on the heavy flood plain soils of the Burdekin Project is both practicable and economical before any further submissions are made to the

Commonwealth Government for financial assistance to proceed with the major Burdekin Project. In regard to the Burdekin Delta, the Irrigation Commission is engaged on an investigation of the need for, and possibilities of replenishment of underground supplies and a great deal of basic investigation work, including geological surveys, has already been carried out. A drilling plant is at present moving into the area to carry out further drilling investigations during the current financial year. A vital and important factor in the economics of the Burdekin scheme is the proposed generation of hydro-electric power. As is well known, the growing power needs of North Queensland have been met by the construction of the 132 kV transmission line to link the Tully Falls power station to Townsville, and the installation at Tully Falls of two additional 18,000 kW generating sets. The first stage of the Barron River Hydro-electric Extension Project is under construction at an estimated cost of £5,850,000 and it is hoped that it will be commissioned early in 1963. Investigations which included a review of the Burdekin project have shown that when further generating capacity is required, the choice for the most economical source of supply will lie between a new thermal power station and the Herbert River hydro-electric scheme. With this background, I would say to the Honourable Member that so far as his suggested approach to the Commonwealth Government is concerned, on the last occasion such an approach was made the Prime Minister indicated definitely and clearly that his Government was not prepared to help finance this project."

DISMISSALS FROM EVANS DEAKIN SHIPYARDS  
AT KANGAROO POINT

**Mr. BENNETT** (South Brisbane) asked the Minister for Labour and Industry—

"(1) Is he in a position to quote the number of men who have been dismissed from employment in the Evans Deakin Shipyards, Kangaroo Point, in the last three months? If so, what are the figures?"

"(2) Can anything be done to have these men re-employed or found alternative employment?"

**Hon. K. J. MORRIS** (Mt. Coot-tha) replied—

"(1 and 2) Individual employers do not advise me of engagements or dismissals of labour but I do receive and watch closely State unemployment figures in classified industries. My pleasure at having the Amoco Agreement signed and ratified was largely because employment associated with the project would be provided for up to 1,000 men, many of whom will be engaged on the pre-fabrication of the storage tanks and other equipment necessary for the establishment of a refinery."

LACK OF SHADE IN COURTYARD, GOODNA MENTAL INSTITUTION

**Mr. SHERRINGTON** (Salisbury) asked Minister for Health and Home Affairs—

“(1) Is he aware that (a) there is no provision for shade in the courtyard at male and female sections in Farm Colony A, Goodna Mental Institution, (b) because of this lack of shade, there has been a considerable number of severe sunburn cases during past summer weather and (c) parents have drawn attention to the lack of this facility to the Director of Mental Hygiene over the past eighteen months?”

“(2) In view of these facts, has he any plan for expediting construction of shelter sheds before the onset of the summer months ahead?”

**Hon. H. W. NOBLE** (Yeronga) replied—

“(1) Discussions have been in progress between the Director of Mental Hygiene and the Department of Public Works for some time, with a view to designing a suitable shelter which would not interfere with the maximum observation of the patients by the nursing staff. It has been decided that this would best be achieved by the construction of a verandah attached to the ward, and the Department of Public Works has been requested to proceed in the matter as early as possible. A number of cases of sunburn have been reported, mostly in respect of fair complexioned mongoloid children but no case could be assessed as severe.”

“(2) See answer to Question (1).”

OVERSEAS VISIT BY MR. G. J. BLACK, STATE DIRECTOR OF SECONDARY EDUCATION

**Mr. BROMLEY** (Norman) asked the Minister for Education and Migration—

“(1) On what date was Mr. G. J. Black, State Director of Secondary Education, sent overseas to study reforms of education for possible implementation in this State?”

“(2) On what date did Mr. Black return?”

“(3) What was the total cost to the Government of his visit?”

“(4) Has Mr. Black submitted any report of his findings on the question of desirable educational reforms? If so, on what date was the report submitted?”

“(5) If a report was made, when can Parliament and the people of Queensland expect it to be made public?”

“(6) If no report has been prepared and submitted to him, what is the reason?”

“(7) Whatever may be the answer to the aforementioned Questions, what is the reason for the delay in making public the result of the overseas trip by Mr. Black?”

**Hon. J. C. A. PIZZHEY** (Isis) replied—

“(1) August 20, 1959.”

“(2) December 15, 1959.”

“(3) £1,750 19s. 6d.”

“(4) Mr. Black submitted his report to me on March 31, 1960.”

“(5 to 7) Mr. Black was sent overseas to study trends in secondary education and to obtain first-hand knowledge of problems in secondary education. This experience, it was considered, would be of very great value to him in his official capacity as Director of Secondary Education in this State. Copies of his report have been made available to Senior Officers of the Department and to members of the Special Committee appointed to enquire into secondary education. Mr. Black's observations and findings are being given full consideration by the Special Committee. It has been the policy of this Government to arrange that Senior Officers be given an opportunity to observe education systems in other parts of the world. I can inform the Honourable Member that education in Queensland has benefited greatly from visits overseas by our Senior Officers, who, as the result of their observations, have ensured that the Queensland system has been organised and conducted in accordance with the best modern practices and principles. The Director-General, the Deputy Director-General, the Director of Primary Education, the Director of Special Education Services, the Assistant Director of Primary Education have now all had overseas experience.”

WATER SUPPLY FOR COEN

**Mr. ADAIR** (Cook) asked the Minister for Public Works and Local Government—

“Owing to the acute shortage of water at the township of Coen and the possibility of the position becoming very grave, will he have the administrator of the Cook Shire investigate the position with a view to having the necessary work carried out in securing a permanent water supply for the area?”

**Hon. H. RICHTER** (Somerset) replied—

“I will ask the Administrator of the Cook Shire to consider the matter.”

FORM OF QUESTION

**Mr. SMITH** (Windsor) having given notice of question—

**Mr. SPEAKER:** Order! The hon. member's question appears to contain more information than question. I will have to examine it closely before I allow it to be placed on the business paper.

## DEATH OF Mr. G. H. MACKAY

## MOTION OF CONDOLENCE

**Hon. G. F. R. NICKLIN** (Landsborough-Premier) (11.16 a.m.), by leave, without notice: I move—

1. That this House desires to place on record its appreciation of the services rendered to this State by the late George Hugh Mackay, Esquire, a former member of the Parliament of Queensland.

2. That Mr. Speaker be requested to convey to the relatives of the deceased gentleman the above resolution, together with an expression of the sympathy and sorrow of the members of the Parliament of Queensland, in the loss they have sustained."

The death of Mr. Mackay has removed from the scene one of the pioneering figures in public life in Queensland and Australia.

The late Mr. Mackay was in his 90th year when he passed away a few days ago. He was born at Clermont on 20 March, 1872. He was educated at Copperfield, Clermont and Bundaberg and first entered this Parliament as member for Gympie on 27 April, 1912. He served through the 19th Parliament to 22 May, 1915.

In 1917 he entered the Federal House as member for the electorate of Lilley which, at that time, extended from near Gympie down to the northern suburbs of the city of Brisbane. He had a distinguished career as a Commonwealth Parliamentarian. He was a member of the Parliamentary Standing Committee on Public Works from 1920 to 1926, and chairman from 1926 to 1928. He was a member of a select committee in 1923 and a member of the Commonwealth delegation that visited the Empire Parliamentary Association Meeting in Canada in 1928. He was temporary Chairman of Committees from 1929 to 1931 and was made Speaker of the House of Representatives on 17 February, 1932, which was the date of commencement of the 13th Commonwealth Parliament. He retired from the Speakership at the conclusion of the 13th Commonwealth Parliament on 7 August, 1934.

Like many Parliamentarians in Queensland and Australia, the late Mr. Mackay graduated from the local government sphere and took a considerable amount of interest in civic affairs. Firstly, in his birthplace of Clermont, he was mayor from 1900 to 1902, and later, on moving to the city of Gympie, he became mayor of that city in 1917. He had, indeed, a very grand record of public service to this State during his long life. He also was a very keen bowler, not only as a player, but also in the administrative field. He had the rather unique record of holding the position of original patron of the Nundah Bowling Club and the Gympie Bowling Club, which he continued to hold until his death.

The late George Mackay was well liked by the large circle of friends who had the

privilege to know him and all respected his great ability and the great interest he took in the affairs of Queensland and Australia.

I had the privilege of talking with him in the few weeks before his death and at that time, judging from his conversation, he continued to take a very keen interest in parliamentary affairs in Queensland and in Australia.

He had indeed a very colourful career in civic, State and Federal life and he made his mark as one of that grand company of public-spirited Australians who did so much in the early part of this century to establish our democratic way of life on a firm and sound basis.

I am sure all hon. members of the Parliament join with me in extending sympathy to his relatives on the passing of a great Queensland citizen.

**Mr. DUGGAN** (Toowoomba West—Leader of the Opposition) (11.22 a.m.): Unlike the Premier I did not have the pleasure of knowing the deceased gentleman but I know that he had a very distinguished public career.

It may be some satisfaction for you to know, Mr. Speaker, that he occupied the position of Speaker for some time in the Federal House and that he lived to the ripe old age of 90 years. If political exigencies enable you to remain in your present office, apparently your longevity expectation is greater than that of those on the ministerial benches, and others, because we have heard from time to time in this House of the very heavy mortality rate of prominent political figures in Australia. Perhaps either the hon. gentleman had a very robust constitution or political conditions were a little easier in the days when he was a member of this House and the Federal Parliament.

He was one of two very great Queenslanders who occupied the same distinguished position of Speaker of the Federal Parliament. Sir Littleton Groom held that office for a number of years, and it is a very great tribute to Queenslanders that several of them on entering the Federal House have made their mark in that Chamber.

As he was a member of the Queensland Legislative Assembly for three years he also had the distinction of being a man who was honoured in his own country.

Though I did not have the pleasure of knowing him I accept without reservation the very kindly tribute the Premier has paid to his personal qualities. I am sure the statements that have appeared in the newspapers are true, that he was a very active member in the discharge of his public duties and that he was universally liked and respected. The community will be indeed the poorer for the passing of a man of his calibre. The Opposition join with the Premier in expressing deep sympathy to the bereaved relatives.

**Hon. P. J. R. HILTON** (Carnarvon) (11.24 a.m.): I desire to associate myself and the Queensland Labour Party with the motion of sympathy and the sentiments expressed by the Premier and the Leader of the Opposition.

I did not have the pleasure of knowing the deceased gentleman personally but, as one who always reads the pages of political history as they are written, I have some knowledge of the great work that he carried out on behalf of the State and the whole of Australia and we can in all sincerity pay a sincere tribute to him. So I associate myself very sincerely with the motion of condolence to his relatives.

Motion (Mr. Nicklin) agreed to, hon. members standing in silence.

#### AUCTIONEERS, REAL ESTATE AGENTS, DEBT COLLECTORS AND MOTOR DEALERS ACTS AMENDMENT BILL

##### SECOND READING

**Hon. A. W. MUNRO** (Toowong—Minister for Justice) (11.25 a.m.): I move—

“That the Bill be now read a second time.”

This is a very small Bill. Its purpose, as I explained at the introductory stage, is to provide a greater measure of protection for the public by increasing the fidelity bond cover that real estate agents have to obtain. The reasons for the introduction of the Bill were dealt with quite adequately at the introductory stage, and I do not think I can usefully add anything further.

**Mr. DUGGAN** (Toowoomba West—Leader of the Opposition) (11.26 a.m.): For the reasons given by the Minister, I do not propose to take up the time of the House in speaking at length on the second reading of the Bill. Its provisions are important but simple, and they set out to meet a position that has arisen because of the defalcations of certain people. Consequently, I believe that proper steps have been taken to protect the people who may be victims of the dishonourable actions of a very small percentage of the people who are covered by the provisions of the Act.

An hon. member opposite—I do not think it was the Minister—implied that the attitude of the Opposition at the introductory stage perhaps indicated that we were not anxious to protect the public. That idea is quite erroneous, because we are in full agreement with the provisions of the Bill. I gave one or two reasons why I thought the matter might be clarified at that stage, but the Opposition accepts unreservedly the Minister's statement that the proposed amendments are reasonable in the circumstances. Accordingly, there is no need to debate the matter any further.

Motion (Mr. Munro) agreed to.

#### COMMITTEE

(The Chairman of Committees, Mr. Taylor, Clayfield, in the chair.)

Clauses 1 and 2, as read, agreed to.

Bill reported, without amendment.

#### LANDLORD AND TENANT ACTS AMENDMENT BILL

##### SECOND READING

**Hon. A. W. MUNRO** (Toowong—Minister for Justice) (11.29 a.m.): I move—  
“That the Bill be now read a second time.”

It will be recalled that when I moved the motion for the introduction of the Bill I indicated that it covered four main principles, which were very shortly stated as—

(1) The exclusion of all business premises from the operation of the Landlord and Tenant Acts;

(2) A revision of the general basis of the rental controls by reference to capital values more in conformity with present-day costs;

(3) Provision for an interim general increase of 15 per cent. in lawful rentals pending determination by the Court; and

(4) A limitation of a lessee's right to recover rent overpaid to the total amount of excess rent for a period of 12 months.

Those four principles were explained at the introductory stage and fairly fully discussed by a number of speakers.

**Mr. DUGGAN** (Toowoomba West—Leader of the Opposition) (11.30 a.m.): I do not want to take up a great deal of time at this stage in debating the Bill but I indicate very clearly that the Opposition intend to register their disapproval of it by voting against the second reading. We shall have more to say about some of the clauses when the Bill is in Committee.

I make it quite clear to the general public that the Opposition are not unaware of the problems that confront some people who own their own homes who, by prudent saving, have been able to make provision for their old age by investing in real estate. Years ago many people in the lower and middle-income groups, by their frugality, were able to obtain houses for letting purposes, which they hoped would enable them to live in comparative comfort in their retirement. The revenue from that source of income was sometimes greater than what was available to them through the age pension. With the gradual easing of the means test it is possible for them to augment their pensions. We have great respect for the difficulties and privations of some of them.

Undoubtedly there have been cases where tenants have been unreasonable in occupying premises made available to them at very low rentals. There has been a reluctance to seek alternative accommodation because of the protection that was afforded them.

It might be as well to review some of the reasons for the amendments of the Landlord and Tenant Act from time to time. In the war years we had a great influx of American service men. Because of the very remunerative pay they received, and the desire of many of them to have private accommodation, in many instances they were able to offer much higher rentals for available accommodation than the wives and dependants of Australian service men serving overseas. It led to a great deal of criticism at the time. It was felt in some instances that avaricious landlords were denying accommodation to the wives and dependants of Australian service men in favour of service men, who were admittedly here to help defend Australia, but in some cases their accommodation requirements were not as pressing as those of the local people. Sometimes it was not a matter of having a comfortable place to live but somewhere for the Americans to entertain. For those reasons a provision was inserted in the Act to give a measure of proper control over the rights of tenants so that they would not be evicted. The next consideration is how far it is permissible for a Government to protect by legislation the assets of people who have invested in that form of real estate. It has been argued consistently by the Minister for Justice that when controls are removed rents will find their effective and proper level in due course, that if any artificial or undue restraints are placed on the investing public there will be no incentive for them to invest in real estate, consequently instead of increasing accommodation available for people not in a position to purchase their own homes, it will accentuate the problem. Of course, there is some truth in that statement. I must realise that Governments have imposed restraints in so many matters affecting the economy of the country. They have imposed restraints on wage movements; they have imposed restraints on the actions of people that they considered were against the community interest. That has been done over a wide range of human activities. It is said that the restraints have been imposed in the interest of the community as a whole. I suppose that few real costs in the wage structure would have a more important bearing on the state of the economy than the cost of accommodation. Whether we like it or not the facts are that there are in the community people who are not able to provide the requisite deposit to purchase their own homes. I should like to go on record as saying that the Labour Party does not believe that we should abandon home-ownership at all. Our home-ownership scheme, which operated through the Workers' Dwelling Scheme many years

ago and then the Workers' Homes Commission, was designed to encourage people in the lower-wage groups in Queensland to acquire their own homes.

I have not checked in recent times but previously Queensland had a higher percentage of home-ownership than any other State in the Commonwealth. That was during the period that a Labour Government had control and it prevailed for many years. I wish to give the lie direct to any suggestion that we are not concerned about home-ownership; we are keen about it. In the policy speech that I was privileged to deliver on behalf of the Australian Labour Party I promised in a declaration that we would have honoured, that in the event of our return to power, we would make home-ownership easier, particularly for people with dependants.

I feel that we would, particularly in times of severe industrial turmoil have a more satisfied and happy community if we were to make provision for everybody in the community to own his own home. The Commonwealth Government should make provision for greatly augmented sums of money to encourage State Governments to provide facilities for home-ownership. Under present conditions many people, with heavy family responsibilities, sickness in the family, unemployment or other set-backs are not able to find sufficient funds to put a deposit on a home. With mounting building costs it is becoming more difficult than ever for many people to acquire the capital sum required for the purpose. They have no alternative but to seek rental accommodation. If the Government do not want to become State landlords—and it is obvious from their policy that they do not—full and prior consideration should be given to such people through the State Housing Commission. At times people with a very high priority for a rental home are not able to obtain one because someone without any priority at all is able to pay a deposit on a home and receive prior consideration from the Housing Commission. Such a scheme may have some merit because a revolving fund is provided by a deposit of say £250 on each of 10 or 11 homes. It enables another home to be built.

Many people cannot afford to pay the existing rentals and the further release of control over this very important matter of cost in the community will only add to the inflationary pattern.

On a question of elementary justice, to what extent is an owner of a house property to see that his asset is preserved compared with the entitlement of other people in the community? I mentioned at the introductory stage that if I deposited a sum of money in a bank, 10 or 12 years ago, the bank authorities would not come to me now and say, "Mr. Duggan, we realise you deposited £500 in the bank 10 or 12 years ago, but because of the depreciation of

money, if you make a withdrawal now you are entitled to get £500 back, plus accumulated interest, and the difference represented by the decline in money standards since your original investment." They do not say that. They say, "You deposited £500 and that is all you are entitled to withdraw", despite the fact that in the intervening period of 10 years the value of money has declined. No-one who invests in a savings bank or in some other form of investment of that kind is able to demand the return of the sum invested plus an allowance to meet mounting costs and the decline in money. The same applies to insurance policies. A person who took out a policy, as I did when 14 years of age, finds today that its value does not reflect the purchasing power that money had at the time it was taken. Consequently, the value of the investment is considerably reduced. Is anyone prepared to argue that, because they had the prudence that thousands of old people had, to take out an insurance policy, they are now entitled to take into account the increased costs and the effects of inflation since the policy was taken out, and receive payment of a greater amount than that provided in the contract? That does not prevent the insurance companies with whom policies are taken out from getting an extra return by reason of an altered method of share investment and an extra benefit in the way of capital appreciation. In that way companies have been able to earn greater income over the years, but their greater income is not reflected in a return to the policy holders except, as the Minister may point out, that bonuses may be greater.

We are not unsympathetic with the plight of the genuine person who has a house to rent, but experience has shown, particularly when the means to obtain alternative accommodation are rather restricted, that threats are held over the heads of many tenants. If they could secure reasonable alternative accommodation, they could accept or reject the demand for an increase in rent, in the expectation that they could get other accommodation. Owing to the difficulties of securing it, they are at the mercy of landlords, some of whom unquestionably do not hesitate to take advantage of the difficult position of these people by imposing higher than reasonable terms and rentals.

Admittedly they are in the minority, but we know of cases in which rapacious landlords have asked for unreasonably high rentals. There was a case of it in New South Wales the other day. The magistrate fined the landlord £200 or £250 because he considered it to be one of the worst cases that had come to his notice as a magistrate.

Experience in other parts of the Commonwealth discloses very definitely that immediately controls are removed action is taken to bring about an upward movement in rentals.

In Victoria, on one occasion there was an increase of 18s. in the basic wage because

of cost-of-living adjustments and evidence was adduced to show that over 11s. of the 18s. came about through decontrol of rents in that State.

At a time when Australia is fighting hard against world competition on overseas markets, at a time when the establishment of the European Common Market is contemplated and our ability to trade internationally is being seriously threatened, we are unquestionably increasing the cost structure to the community.

This is an inflationary measure and neither I nor any Opposition member can accept the statement that ultimately because of this amelioration of the conditions of landlords prices will return to a natural level and in the final analysis costs will be less than they would be if artificial pegging was permitted to continue.

I have indicated that there are some cases where a measure of injustice has occurred, but the Fair Rents Court is available to adjudicate on these matters, and therefore there is no need for this adjustment that says virtually that present investments in real estate are to continue on the basis of current valuations less 20 per cent., and, that, where there has been agreement, present rentals may be increased. Agreement in some instances follows negotiation between the landlord and the tenant but because of fear that he will be unable to secure other accommodation, the tenant agrees to pay a high rental for a period of time. On top of that high rental there is to be superimposed the 15 per cent. increase. It would be useless for any person to go to any court and say it was not justified, in view of the legislation, by reason of the fact that the tenant had been paying the rent for some years.

On several counts I think the legislation should be restricted. I have given some qualifying reasons and I have indicated that we are not unsympathetic to landlords in many instances, nor are we unsympathetic to investment through the medium of real estate. After all, real estate is a pretty solid form of investment. I notice that some Country Party members are in the Chamber. They will admit that farm prices fluctuate very much according to the prevailing climatic conditions, that commodity prices vary from time to time and that their incomes fluctuate very greatly from year to year. At times they may have a bumper income, and at other times their income may be restricted. But that is not so for the person whose income comprises rentals. Of course, he may have bad debts. There must always be a certain proportion of bad debts. Just as there are some rapacious landlords, there will also be cases of undesirable tenants. That is one of the hazards of any form of investment, whatever it may be. I believe that because provision is made for a reasonable return of 2 per cent. over the bond rate, with allowances for rates and repairs and similar charges, that the resultant 7 or 8 per cent. makes this proposition a fairly good form



of investment. The Minister may point out that there has been an upward movement in investment in shares, but that is a much more hazardous enterprise than investment in real estate. We have all seen the movement in the share index in recent times. There was a progressive upward movement in the post-war period, but last year there was a tremendous downward movement and many thousands of investors lost heavily because of the quick decline in the value of their share investments. I do not think there has been any comparable downward movement in the investment value of the assets of people with real estate who are renting houses to tenants. Admittedly such a person is caught up in the general problems of inflation, but as I have pointed out that is no different from a person with money in the bank, or in an insurance policy. The same remarks apply to insurance premiums. If a person insures a house for a certain figure and then has the misfortune to have a fire, the insurance assessor comes along and says, "We realise that because a fire has taken place it will cost you a great deal more to build a new property on the site." However, the insurance company does not take that factor into account, and in some instances, an insurance company may go even further and say that the building was insured for £1,000 four years ago and there has been a depreciation of the building to some extent and may offer only £900.

Because of those general remarks, and other remarks that will be made by other members of the Opposition, we believe that this measure will not be conducive to the happiness of tenants. Rent is a major contributor to the cost spiral. Its effect is certainly delayed, but it is reflected ultimately in a higher basic wage. The Government will be involved because they will have to find large sums of money to pay their employees, and so the vicious circle continues. If every time there is a cost inflation we give an opportunity to everyone selling a house, or something else, to get the same percentage of return, or a higher percentage of return on the inflated investment, there will be no end to it. I know that the hon. member for Fassifern would be very happy if a farmer bought a property for £5,000 that returned 10 per cent., and then sold it for £6,000, and the new owner could come along and say, "I do not want the butter production price to be calculated on the £5,000 because I paid £6,000 for the farm. I want a 20 per cent. increase in the payment to me because I paid one-twentieth more than the man who had it before me." As the hon. member for Fassifern knows, properties have changed hands several times, and if the prices authorities said that every time there was a movement upwards the new owner was entitled to get his 7 per cent., 8 per cent., or 15 per cent. profit, we should all be caught in the mesh of inflation that ultimately leads to financial disaster. I am afraid that the Government are caught in the inflationary

trend. In my opinion the Government should be trying to arrest the spiralling cost structure. If we cannot turn the cost index down the next best thing is to try to stabilise costs. Most of the countries in the world with which we are competing have been able to do that, but Queensland will not be able to do it. We will finish with a much higher basic wage and our investment potential will be further threatened because of our geographic position and our low-density of population compared to Sydney and Melbourne. All these things will be reflected in the arrested development of the State.

I have outlined some of our general reasons for believing that the Bill should be opposed. When we reach the Committee stage we shall put forward our reasons in greater detail for believing that we should oppose the measure.

**Mr. NEWTON** (Belmont) (11.50 a.m.): I refrained from speaking on the Bill at the introductory stage, but I now take the opportunity of supporting the remarks of the Leader of the Opposition.

It seems to me that every Bill brought before us this session, particularly by the Minister for Justice, will have a serious effect on the working people. I sometimes wonder whether the Minister has consulted with the officers of the various departments on some of his measures. I refer particularly to price control and the easing of rent control.

As other hon. members on this side have said, the Bill will seriously affect the State's economy in many ways. The Government do very little to help stabilise the economy. Instead of imposing further on the people, as the Bill does, the Minister could better serve the interests of justice by taking steps to remedy other problems under his control.

The first part of the Bill provides for the complete lifting of control over the rent of office space for business and professional people and their staffs. They will not be greatly worried because they will simply pass the extra cost on to the public. That is one of the worst aspects of the Bill. Time and time again experience has shown that they do not mind what is done by any Government, irrespective of their political colour, because they can always pass the increase on. The Government should seriously consider that aspect of the matter before proceeding further with the Bill.

We are strongly opposed to any easing of rent control. Further, from time to time we have said in the Chamber that the exemptions already granted by the present Government in previous amendments to the Act have worked a great injustice on tenants. We do not suggest that all landlords are unscrupulous but at least 40 per cent of those in Queensland will increase rents whenever they get the chance.

Officers of the Fair Rents Office give advice to tenants, but they have to overcome many obstacles when attempting to

take action on behalf of the tenants. Many cases have been brought under my notice from time to time. I wish to refer particularly to one case in my electorate where the hon. member for Norman and I, in company with officers of the Fair Rents Office, made an inspection. Cases of this type occur not only in the metropolitan area but also throughout the length and breadth of the State. No doubt the Minister is fully aware of the rules laid down under the Landlord and Tenant Act setting out what the tenant has to do when he lodges a complaint.

Let us examine this particular case. In support of the application the tenant gave the following particulars:—

"Present rental considered excessive for this accommodation. The lessor refuses to issue receipts for rent paid."

That is very important, because the Minister, when introducing the Bill, said quite clearly that if tenants thought they were not getting a fair go they had the right to take further action. It is very difficult to take action against a landlord who does not issue receipts for rent each week. How can a person obtain legal representation in the courts if he cannot produce documentary evidence to show what rent he has been charged for sub-standard accommodation? This person went on to say—

"I keep a record in my own rent receipt book for every payment that I make to the lessor. The premises do not contain a bathroom nor does it contain laundry facilities, the only water supply is per medium of a tank which is filled from a nearby swamp when the occasion demands. Roof leaks in both rooms, drainage is a minus quantity, the premises are unlined and in a bad state of repair. Non issue of receipts would appear to be a breach of Section 38 of the Landlord and Tenant Acts, the lessor has also deprived me of the use of electric light, this would appear to be a breach of Section 59 of the Landlord and Tenant Acts."

I inspected the dwelling in company with the hon. member for Norman. We found that the information given by the officers of the Fair Rents Office and the tenant was correct. The water that was being used from the swamp was covered with slime. The rooms were unlined, and there was no partition between them. None of the other facilities mentioned in the complaint was provided. If the landlord did not like the look of a tenant or he was not getting on well with him he turned off a main switch at his residence and thereby cut off the tenant's electricity supply for a night or two until he liked the look of the tenant again.

**Mr. Muller:** What was the rent?

**Mr. NEWTON:** The rent was £5 a week. Because of the pressure applied by this unscrupulous landlord, the woman tenant

withdrew the case that the officers had assisted her to prepare. This is the letter signed by her—

"I . . . do hereby wish to withdraw all charges made by me to the Fair Rents Court, and I wish to state that I have never been charged any rent during the fifteen months I have been here and I have no complaints."

Why? Because this person, who, I say, is an unscrupulous landlord, used pressure tactics.

There is also another case where the rent was £8 a week. When I made an inspection I found the position to be very similar to what I have already mentioned. Without the introduction of the Bill the Government have already gone far enough in the lifting of rent control. Enormous rents are being charged for sub-standard accommodation.

**Mr. Muller:** Why not go to the Fair Rents Court in cases like that?

**Mr. NEWTON:** When you go to the Fair Rents Court you need legal representation. Even if a person is successful what happens after he leaves the court? The landlord stands over the tenant making it so uncomfortable for him that he has to get out. He has to seek accommodation from the Queensland Housing Commission. I must concede that I have received favourable consideration from the Housing Commission but accommodation is not always available to enable those people to overcome their problems.

At the introductory stage it was pointed out by hon. members on this side that before a person can get a State rental home he has to produce a reference to show that he has paid his rent while occupying the previous landlord's premises. If a landlord does not issue receipts he will not give a reference to help a person get a house from the Housing Commission.

Much has been said about the temporary accommodation that has been done away with since the Government took office. I invite the Minister and some of his departmental officers to inspect some of the electorates bordering on the metropolitan area. Although they claim that they have done away with the temporary accommodation they will find people still living in shanties and huts. I have them in my own electorate. I have a continual problem in trying to keep a roof over their heads because the Brisbane City Council is constantly endeavouring to remove those shanties and huts. The City Council could give the Minister the exact number of them in the various wards. In the 18 months that I have been in Parliament there have been eight fires in my electorate. Whenever they have occurred I have gone to the site. In three instances the dwellings were substandard. There was a fire in London Road, Belmont, only last week. The house was such a jerry-built place that it beats me how it ever stood up.

**Mr. SPEAKER:** Order! The hon. member is getting off the track somewhat when he talks about substandard dwellings. That is a matter for the Health Department of the Brisbane City Council.

**Mr. NEWTON:** It has a bearing on the rent charged for that type of accommodation. It has a big bearing on the Bill. From this side we are endeavouring to convince the Minister and the Government that the present proposal to lift rent control further is completely unwarranted and unnecessary. The previous legislation was wrong. Rent control should be reintroduced throughout the State.

On the introduction of the Bill certain points were advanced by the hon. member for Merthyr about the position in New Farm where home units and flats are being constructed and premises are being converted into flats. He dealt with the rents that were being charged. There have been complaints about the high rents for many converted flats in his area. A typical rent is £8 a week. Yet, because only the interior of the building had been altered, the exterior not being touched, the fact that these buildings have been converted to flats has not been discovered and in many cases the tenants are using community toilets and other facilities. That is going on now. If we lift the controls further without introducing a better method of policing them than we have at present the position will deteriorate further. It is not much good our saying that the responsibility lies with the Brisbane City Council or the local authority. The Government have a responsibility to see that tenants are treated fairly, and that the accommodation is in conformity with proper standards for the rent charged. I oppose the Bill.

**Hon. A. W. MUNRO** (Toowong—Minister for Justice) (12.7 p.m.), in reply: I should like to deal with a few points before closing the second reading debate. The Leader of the Opposition gave an interesting survey of the economic aspect of this problem as well as some consideration of the principles of elementary justice. In saying that I must confess that I do not agree at all with the conclusions at which he appeared to arrive.

Dealing first with the economic aspect, he pointed out that the artificial control of rents tends to keep wages down because of its effect on any index that might be used to measure the cost of living. That may be so. I concede that artificial control of rentals of this kind could have the effect of keeping wages down, and that that might be very helpful from certain economic viewpoints and in particular to Governments who have the responsibility of providing finance to cover a very extensive work force.

The question we have to ask ourselves is, is that fair to workers generally, and particularly, is it fair to the large proportion of workers who own their own homes? I should say, from my observations, that one

of the main reasons why this war-time measure of rental control was carried on for such a long time was that the Government of the day were not prepared to face up to the realities of the situation, knowing that if these controls were relaxed it would have some effect on any cost-of-living index, and ultimately on the level of wages. I think that our broad approach to the problem is a more realistic one, and on the whole, a fairer one, having regard to all the various facts.

**Mr. Newton:** In other words you believe that by forcing rents up you are going to make everyone endeavour to own his own home? Is that the Government's attitude?

**Mr. MUNRO:** No. That might be one indirect effect, but certainly it would not have the effect of making everybody own their own homes. There are some people in the community who would not buy a home, particularly transient workers and persons who in the course of their occupations may be required to move from one town to another. It is not always convenient for such persons to buy homes.

**Mr. Aikens:** Those are not very comforting thoughts to the worker who is going to have his rent increased by 15s. a week.

**Mr. MUNRO:** Well, workers' wages are increased from time to time, and I do not think the worker can expect to have his wages increased from time to time, in common with all workers generally, while this very small section of workers is protected in the way other workers are not protected.

**Mr. Newton:** Since you amended the last legislation there has been no increase in the basic wage in Queensland because of the lifting of rent controls, and increased rents were passed on to the workers.

**Mr. MUNRO:** I should have thought that the hon. member, being closely in touch with trade unions, industrial and arbitration matters, would know better. The basic wage in Queensland was increased as a direct result of the action of the Government in relaxing rent control. The C Series index was the index used at that time, and the rental of these types of houses had a very important bearing on the changes in the C. Series index. I say quite clearly and unequivocally that the C. Series index did increase and the basic wage in Queensland did increase as a result of the action of the Government.

**Mr. Newton:** Two shillings for a fifteen shillings increase.

**Mr. MUNRO:** I am not prepared off-hand to give particular figures, but I do say, because of an inaccuracy in the C Series index and because the rental component in the C series index was greater than it should have been if it had been quite accurately measured, the basic wage in Queensland did

increase to some slight extent greater than would have been the case if there had been a complete and accurate economic survey.

**Mr. Lloyd:** Would you not agree that the fact that you made an artificial decision in your 1958 Act, and allowed tenancy agreements to reflect the increase, had a tremendous impact on rents in Queensland?

**Mr. MUNRO:** I would not agree that we made an artificial decision. I think it is necessary to consider the problem in its proper perspective. When the Government took office in 1957 they were faced with a completely artificial state of affairs, an artificial state of affairs that did not exist to the same extent in any other State in Australia. And it was because our predecessors in office, for reasons that they no doubt felt were sufficient, maintained completely artificial controls that I submit were basically in the nature of wartime controls.

**Mr. Aikens:** How did you arrive at the figure of 15 per cent. embodied in the Bill?

**Mr. MUNRO:** Merely as a broad and general approximation of what we thought would be likely to be the increase in rental in the great majority of cases. Increases in rentals will not by any means be uniform for the simple reason that rentals as at present controlled are not in any way uniform. If we bring them to a more uniform basis the increases will vary very considerably.

**Mr. Aikens:** That would be a sort of hit-and-miss attitude.

**Mr. MUNRO:** No, not a hit-and-miss attitude, but a broad approximation pending consideration of each case by the court.

Dealing with the economic benefits, apart from any effect on the basic wage, which must be a matter of concern to all of us, my second point is that the overall economic effect of the Government's legislation on rental control has undoubtedly been to encourage the building of flats and houses. We believe that in the long term, we will achieve more community benefits than by continuing artificial controls. The rental of houses is just like the sale of all other commodities. The real solution to the price problem lies in the volume of goods supplied. If there is an adequate provision of houses for rental the effect is substantially the same as when there is an adequate supply of goods.

**Mr. Sherrington:** Yesterday the Treasurer said he did not expect people to invest in houses.

**Mr. Hanlon:** He said the day of investment in rental houses has gone.

**Mr. MUNRO:** I was not here at the time but I know the Treasurer and I have discussed this matter on many occasions. We are completely in agreement about the very great help that is given by the provision of houses following on the relaxing of rent control.

**Mr. Sherrington:** If you are to encourage people to build for letting purposes, and the rentals are £8 to £9 a week—which the workers cannot afford to pay—how will that affect the housing shortage?

**Mr. MUNRO:** That is quite a good question. If the prospective tenant cannot afford to pay the higher rental then the landlord will not get the higher rental.

**Mr. Sherrington:** How will that help the housing shortage?

**Mr. MUNRO:** That in itself is a very effective economic control. I gave those figures at the introductory stage and I do not want to go over them again. Since we amended the Act in 1957 statistics show very clearly that there has been a greatly increased number of flats for rental purposes.

**Mr. Aikens:** You realise, of course, that many children are being made to suffer in order that the parents may pay the high rents. They are not being properly clothed or fed so that the rent may be paid.

**Mr. MUNRO:** I think all of us will be quite in sympathy with the thought expressed by the hon. member for Townsville South. We should all like to see an improvement in the limited income of certain sections of the community. We should like to see lower rentals, but these are hard economic facts and there is no way in which houses can be provided for community use at less than an economic rental, unless the Government, either Commonwealth or State, are prepared to provide the difference.

Let me depart for a moment from the economic aspects and problems to consider questions of elementary justice. If we accept the desirability of rental houses being made available at the lowest practicable rent we must also ask ourselves, in all fairness, who should bear the burden? Should this economic burden be placed wholly on the shoulders of a small section of the community who have invested their savings in rental houses or should it be borne by the Government and, through the Government, by the community generally? I say again clearly and unequivocally that any economic burden there may be in assisting the less fortunate sections of the community by keeping rentals down to something less than an economic rental should be borne by the Government of the day and, through them, by the community. That is the policy of this Government and it was substantially the policy of the former Government. Both Governments within the limit of their financial capacity, have done, and are doing, everything possible to assist in providing a remedy for the problems posed by a shortage of houses for rent and houses for purchase.

A further question we must look at is whether, if we apply a completely artificial

limit to rents for homes, we are being completely fair to those people who have invested their savings either in purchasing a home for themselves or perhaps in paying a small deposit on a home for themselves. I suggest that to the extent that we have financial capacity we have as much obligation to those who are in the course of becoming owners of their own homes as we have to those who are occupying rental houses. As hon. members all know, those who are in the course of acquiring their own homes have to meet increased charges from time to time for rates and maintenance and, in addition, most of them have to meet very considerable interest payments.

With all the goodwill in the world Governments cannot completely overcome those problems. Governments cannot simply say they will make vast sums available so that people will not have to pay something approximating an economic rental or something approximating an economic rate of interest.

Summing up, notwithstanding that the discussion has been very interesting, I suggest that the Opposition viewpoint on the Bill is rather in the nature of a sectional outlook based on economic justice to all sections of the community. We are simply endeavouring to be fair to every section of the community and, in the course of doing so, to have regard to the long-term problem and to ensure as far as we reasonably can that there are enough houses of proper type for all people for rent or purchase.

Question—That the Bill be now read a second time (Mr. Munro's motion)—put; and the House divided—

#### AYES, 38

Mr. Armstrong	Mr. Madsen
„ Beardmore	„ Morris
„ Bjelke-Petersen	„ Müller
„ Camm	„ Munro
„ Campbell	„ Nicklin
„ Carey	Dr. Noble
Dr. Delamothe	Mr. Pilbeam
Mr. Dewar	„ Pizzezy
„ Evans	„ Rae
„ Ewan	„ Richter
„ Fletcher	„ Smith
„ Gaven	„ Sullivan
„ Harrison	„ Taylor
„ Hart	„ Tooth
„ Herbert	„ Wharton
„ Hewitt	„ Windsor
„ Hiley	
„ Jones	<i>Tellers:</i>
„ Knox	Mr. Ramsden
„ Lonergan	„ Row

#### NOES, 28

Mr. Aikens	„ Houston
„ Baxter	„ Inch
„ Bennett	„ Lloyd
„ Bromley	„ Mann
„ Burrows	„ Marsden
„ Byrne	„ Melloy
„ Davies	„ O'Donnell
„ Dean	„ Sherrington
„ Diplock	„ Thackeray
„ Donald	„ Tucker
„ Duggan	„ Walsh
„ Graham	
„ Hanlon	<i>Tellers:</i>
„ Hilton	Mr. Newton
„ Houghton	„ Wallace

#### PAIRS

Mr. Hooper	Mr. Adair
„ Chalk	„ Dufficy
„ Low	„ Gunn

Resolved in the affirmative.

#### COMMITTEE

(The Chairman of Committees, Mr. Taylor, Clayfield, in the chair)

Clauses 1 to 3, both inclusive, as read, agreed to.

Clause 4—Amendment of s. 16; Maximum rentals—

**Mr. DUGGAN** (Toowoomba West—Leader of the Opposition) (12.31 p.m.): We intend to oppose this clause. I will not canvass the matter in detail but probably one or two hon. members on this side will take part in the discussion. This clause determines the value of a dwelling for rental purposes. It provides—

“For the purposes of this section the capital value of a dwelling-house shall be—

(a) Where that dwelling-house existed on the first day of July, one thousand nine hundred and forty-eight, the present actual capital value thereof reduced by twenty per centum of that present actual capital value;

(b) Where that dwelling-house did not exist on the first day of July, one thousand nine hundred and forty-eight—

(i) The present actual capital value thereof reduced by twenty per centum of that present actual capital value; or

(ii) The actual capital value thereof as at the date upon which the erection of the dwelling-house was completed, less such depreciation (if any) in value since that date as the Court considers to be fair and equitable,

whichever is the greater.”

This provision is to become operative from 1 March, 1962. Our general objection is that it is wrong that a particular section of people should be singled out for the artificial levelling up of the value of rented premises. As a result, the rental determinations will be higher than those that obtain at the present time. An automatic statutory provision for the equity in an investment to be preserved at current values less, in this case, 20 per cent., means the provision of an unreal depreciation. At the present time in the building industry the accent is on commercial building rather than residential building. The Minister needs no additional evidence than the reports of recent times showing builders' quotations. Many of them are prepared to operate either at no profit or at a very low profit in order to keep their work force intact. We have evidence of the closure of some sawmills and the dismissal of employees from others. It all makes the provision of accommodation even more difficult than it would have been had

the building boom continued. Earlier I canvassed the matter in more general detail. I shall conclude my remarks on that note to give one or two other hon. members on this side an opportunity to stress their points of view.

**Mr. LLOYD (Kedron)** (12.35 p.m.): I wish to devote only a few moments to this clause. It struck me as being a rather peculiar method of assessing the valuation of a home for rental purposes. Why should there be this mystical method of assessing valuation—20 per cent. off present actual value? It is quite obvious that the Minister has assessed the valuation as it would be at the date his Government came to power in 1957. A reduction of 20 per cent. in the average price of land and building would bring it down to the 1957 valuation. It is remarkable that the Minister has not had the courage to come before the Chamber and say that he intended to extend the date of valuation from 1948 to 1957 because that, in actual fact, is what he is doing. The price of land has, on the average, doubled during the last four years and the cost of construction of a home has increased by 20 per cent. and the method of assessment provided in the Bill will bring the value very close to the value in 1957, when this Government were elected to office. This clause and the rest of the Bill revolves around that idea.

The Minister has made several statements about the lifting of valuations for rental purposes. He said that it would make more houses available, that if people could not afford to pay the rentals that were asked the demand for houses would fall and rentals would tend to come down. I think that was his argument.

I suggest that the Minister should spend a few days around Brisbane looking for a home to rent. He would then understand the real position. Some people can afford to pay the rentals they are being asked, but the ordinary working man has no protection. They are being asked to pay the same rental and they must do so if they want the accommodation.

This is not a purely economic question as the Minister would have us believe. It is all very well for us to say that, but we must be practical. We must also be humane. The provision of homes for rental cannot be viewed solely from the profit-making or investment angle. I cannot justify any Government's saying that if people build half a dozen homes for rental that is their investment and they are entitled to charge whatever rental they like for them. A housing shortage exists and landlords should not be given the right, because of that, to say, "We can charge as much rental as we consider necessary to secure a good return or profit on our investment." The problem is not what is happening in that respect. The important question is what is happening to

good, decent working people in the community who cannot find a home at a reasonable rental.

The hon. member for Townsville South made a very relevant interjection when he said that they had to go short of something else. That is what will happen with the high rentals that will result from this legislation and the Minister must accept the responsibility for it.

The intention of the Bill is that a house say 50 years old is to be assessed at 1957 valuations. That is clearly indicated by the figure of 20 per cent. which covers the inflation in values over the past four years.

When the Minister introduced the previous legislation extending the valuation year from 1942 to 1948 he inserted provision for a tenancy agreement. No doubt the Minister will say that a tenancy agreement is not worth the paper it is written on, but a tenant who goes into a home under a tenancy agreement does not know his legal position. On signing the agreement that he is prepared to move out at any time the home is required by the landlord and that he will rent it only for a certain time he understands that he has signed a legal document. He has not sufficient knowledge to decide, "I will take the matter to the Fair Rents Court." He does not know that he has access to the court. Since 1957 the Fair Rents Court could just as well not have been in existence, owing to this artificial method of easing the valuation. For the sake of argument assume that the Government were right in deciding that valuations were to be as at 1948. The qualifying clauses inserted in the Landlord and Tenant legislation on the assessment of rentals, however, have been such that the Fair Rents Court may just as well have been out of existence. Many people do not know they can use it, owing to the puzzling clauses in the legislation.

**Mr. HANLON (Baroona)** (12.41 p.m.): Several aspects of the clause cause me concern, the first being present capital value. The Government have begged the question by their amendment of the Act in 1957 to lift controls completely from all houses that had not been tenanted for three years before 1 December, 1957. The capital value put on many old houses at present, houses built before 1948, is assessed purely and simply on the maximum rent that can be extorted from a tenant who is forced to pay it because of the housing shortage. Until the Government amended the Act in 1957, some houses of that type, often in a run-down condition, had a capital value of £1,500. After 1957, houses that had not been rented for the three years, could be rented by landlords at any rents they decided to charge. Controls were lifted absolutely. Some of those houses in fairly bad condition were rented at £7 to £8 a week if the landlord could get someone to pay that rent, and because of the housing shortage tenants had

to pay it. In that way the capital value of those homes was forced up to an unreal level. The values are not true values, but values that have been assessed on rents that even the Minister would say were unfair. The Minister made the point that actual capital values are taken, but the actual capital values for the types of houses to which I have referred are not accurate values. Homes that could be purchased for £1,500 would now bring £2,000. Young people who before that time were getting married and could not afford a modern new house were prepared to buy an older house in need of repair, gradually do it up and get it into reasonable shape for themselves and their family. They did not have sufficient money to pay £3,500 to £4,000 for a modern house.

As soon as the Government lifted controls in 1957, speculators—and I do not blame them—bought up these places in the knowledge that they could get a return of 12 per cent. to 15 per cent. on their investment. That had the effect of increasing the capital value of those houses. In taking actual capital value less 20 per cent., the Government in some instances are taking a capital value that has been determined to a degree by extortionate rents. Under Clause 4 (2) (b) (i) and (ii) for houses built after 1 July, 1948, it is for landlords a matter of, "Heads I win, tails you lose." The landlord is given an alternative. He can take the present actual capital value less 20 per cent. or the capital value less such depreciation as the court considers to be fair and equitable, whichever is the greater. In other words he is given the best bite of the cherry and he is allowed to take whichever method suits him. The Minister should make up his mind. If he says that the method under Clause 4 (b) (i) is a reasonable basis, leave it at that. If it is not a reasonable basis, make it 4 (b) (2), the capital value, less depreciation, but why give the landlord two chances, to pick whichever is the greater? It is noticeable that the Minister does not say, "Whichever is the lesser". He says that it is to be whichever is the greater. In other words, he is giving the landlord the opportunity of, "Heads I win, and tails you lose."

As the Leader of the Opposition pointed out, we are not unmindful of the people who have invested in a house for rental to provide income for their retirement, but we must realise that they can always sell the house if they want to. It is quite true that they will not get as much for it if it is tenanted and under rent control, but at the same time, someone who bought a house at the end of the war, or during the war would now realise much more for it. Even if it is under rent control and the purchaser had to go through the formalities of ejecting the tenant the house could still be sold for £1,500 to £2,000 although it probably cost only £400 or £500 years ago. Whilst people may suffer hardships as long as they retain

the house, we must not forget that no-one is putting a restriction on the price they can ask for it if they decide to sell it. It may be true that they cannot get as much for it when it is tenanted, but they will receive three or four times as much as they invested in it years ago. There is still an avenue of escape for them, unlike the bond holders and people with insurance policies. We all know that many people bought bonds bearing interest at 3½ per cent. or 3¼ per cent., and to get rid of them they had to sell them for as little as £80, or £85, for a £100 bond, but a person with a house for which he paid £400 or £500 can be sure of getting £1,500 to £1,800 for it. While we are sympathetic towards them, nevertheless they can convert their assets to more profitable investments. There is no particular virtue inherent in a landlord, or an owner, because he has a house for renting. He can command a high rent only because houses are hard to get. It really has very little to do with him. He has a commodity in short supply. If we accept the principle that so long as you have a commodity in short supply you can get what you can for it, we are reverting to the law of the jungle. We do not believe in that. The Government do not say that the same margin should be allowed on bread, sugar or tea, or some other basic commodity as should be allowed on shirts, or TV sets. The Government believe that the cost of basic necessities should not be allowed to rise to give more than a reasonable profit margin otherwise the average person could not carry on. To our mind, housing is the same. There must be a reasonable profit margin on housing, otherwise people will be denied a basic necessary. For all those reasons I support the Leader of the Opposition in his opposition to Clause 4.

**Hon. A. W. MUNRO** (Toowong—Minister for Justice) (12.49 p.m.): I propose to speak very briefly on this clause for the simple reason that it contains the main principle of the Bill that was discussed very fully during the introductory stage, and again, this morning, on the second reading. Largely, the points raised on this clause have been just a repetition of previous arguments. However, two new principles have been raised and I propose to reply to them very briefly. I think the hon. member for Kedron suggested that the formula of present-day values less 20 per cent. would give almost precisely the 1957 values. His point was not very important, but for the purpose of the record I should like to correct it, and make it clear that the present-day values less 20 per cent. would bring present-day values to a figure somewhat lower than the values prevailing in 1957. If it were not for that, we should not have introduced the provision that the hon. member for Baroona discussed. There would be no reason for the alternative formula if in fact all values up to 1957 were less than present-day values less 20 per cent.

We realised that there would be some people who perhaps had built their houses

in 1956 or thereabouts and their actual cost would be greater than present-day values less 20 per cent. We thought it would be somewhat of an anomaly and a hardship to those owners if we were to use a formula that would apply a value somewhat less than the value in conformity with the cost at the time the house was built. It was only to meet those particular types of cases—and there are very few of them—that we introduced the principle of the alternative formula.

The basic principle of the clause is the basic principle of the Bill and I do not think it is necessary to elaborate further on it.

**Mr. AIKENS** (Townsville South) (12.52 p.m.): I will not keep the Committee very long but I was rather amused to read this clause when I was first given a copy of the Bill. We all know the interest that members of the Real Estate Institute are taking in the Bill. They are interested in it because the higher the rent the greater their gain, the bigger their rake-off. The clause makes provision for the valuing of a house in a certain way and the most amazing thing is that when the case goes before the Fair Rents Court, the rental having in the meantime been increased by the arbitrary percentage of 15 per cent., which works out at 3s. in the £1 so that the tenant will be asked to pay not £5 a week for a shack but £5 15s. a week until he can appear before the Fair Rents Court on an application under this clause, then the very people who are interested in the rent's being as high as possible in order that their rake-off from the rent might be as high as possible will be the people who will go before the magistrate and advise him on the valuation for the rental. If ever there is going to be a biased judgment it will not be on the part of the magistrate or the Fair Rents Court, but it will be the judgment that will be given under this clause by those who are interested in getting as high a rental as possible because they will be the people who will advise the court as to the valuation of the particular property.

Question—That Clause 4, as read, stand part of the Bill—put; and the Committee divided—

AYES, 40

Mr. Armstrong	Mr. Madsen
„ Beardmore	„ Morris
„ Camm	„ Müller
„ Campbell	„ Munro
„ Carey	„ Nicklin
Dr. Delamothe	Dr. Noble
Mr. Dewar	Mr. Pilbeam
„ Evans	„ Pizzey
„ Ewan	„ Rae
„ Fletcher	„ Ramsden
„ Gaven	„ Richter
„ Gilmore	„ Row
„ Harrison	„ Smith
„ Hart	„ Sullivan
„ Herbert	„ Tooth
„ Hewitt	„ Wharton
„ Hiley	„ Windsor
„ Hodges	
„ Jones	<i>Tellers:</i>
„ Knox	Mr. Bjelke-Petersen
„ Lonergan	„ Hughes

NOES, 27

Mr. Aikens	Mr. Lloyd
„ Baxter	„ Mann
„ Bennett	„ Marsden
„ Burrows	„ Melloy
„ Byrne	„ Newton
„ Davies	„ O'Donnell
„ Dean	„ Sherrington
„ Diplock	„ Tucker
„ Donald	„ Wallace
„ Duggan	„ Walsh
„ Graham	
„ Hanlon	<i>Tellers:</i>
„ Hilton	Mr. Bromley
„ Houston	„ Thackeray
„ Inch	

PAIRS

Mr. Hooper	Mr. Adair
„ Chalk	„ Dufficy
„ Low	„ Gunn

Resolved in the affirmative.

Clause 5—New s. 20D: Power further to increase rental—

**Mr. DUGGAN** (Toowoomba West—Leader of the Opposition) (12.59 p.m.): We oppose this clause because it provides for the arbitrary increase of rentals by 15 per cent. and that is unjust. The justification for the proposal, of course, is that the Minister believes that if this were not done by legislation undue delays would occur because of the number of applications. That presupposes that it is admitted that many people will have a sense of injustice and will want to exercise their right. This has been circumvented by the provision in the Bill that enables a landlord to increase rents arbitrarily by 15 per cent. before he approaches the court. As I indicated at the introductory stage, this could well force rents up by 10s. or 15s. a week. Added to the present cost structure, that is a reasonably heavy increase. It adds to the cost spiral; it adds to the costs of Government and industry generally. I discussed this matter at an earlier stage. In view of the considerations of time I shall content myself now by saying quite emphatically that it is unjustified.

Question—That Clause 5, as read, stand part of the Bill—put; and the Committee divided—

AYES, 40

Mr. Armstrong	Mr. Lonergan
„ Beardmore	„ Madsen
„ Bjelke-Petersen	„ Morris
„ Camm	„ Müller
„ Campbell	„ Munro
„ Carey	„ Nicklin
„ Dewar	Dr. Noble
„ Evans	Mr. Pilbeam
„ Ewan	„ Pizzey
„ Fletcher	„ Rae
„ Gaven	„ Ramsden
„ Gilmore	„ Richter
„ Harrison	„ Row
„ Hart	„ Smith
„ Herbert	„ Tooth
„ Hewitt	„ Wharton
„ Hiley	„ Windsor
„ Hodges	
„ Hughes	<i>Tellers:</i>
„ Jones	Dr. Delamothe
„ Knox	Mr. Sullivan



## NOES, 27

Mr. Aikens	Mr. Lloyd
„ Baxter	„ Mann
„ Bromley	„ Marsden
„ Burrows	„ Melloy
„ Byrne	„ Newton
„ Davies	„ O'Donnell
„ Dean	„ Sherrington
„ Diplock	„ Thackeray
„ Donald	„ Wallace
„ Duggan	„ Walsh
„ Graham	
„ Hanlon	<i>Tellers:</i>
„ Hilton	Mr. Bennett
„ Houston	Mr. Tucker
„ Inch	

## PAIRS

Mr. Hooper	Mr. Adair
„ Chaik	„ Dufficy
„ Low	„ Gunn

Resolved in the affirmative.

Clauses 6 to 8, both inclusive, as read, agreed to.

Clause 9—Amendment of s. 41; Substituted service; Notice to quit—

**Mr. DUGGAN** (Toowoomba West—Leader of the Opposition) (1.5 p.m.): This clause removes the protection given in the Act. Its removal constitutes a very serious hardship for many people who in good faith have put money into tenancies. With the pressure on business areas, such as we have noticed in recent times, naturally, rentals are at a very high premium for premises in good shopping areas and, without any protection, the tenant can be charged any price the owner wishes.

In addition, it is not only that the rental might be £30 to £35 per week, but very often large sums are transferred by way of goodwill. When that happens the owner may assess the rent on the value of the building and goodwill. As a result the rental is unreasonably high even though the goodwill of the premises may have been built up by the tenant himself. That is how the obnoxious practice known as “key money” that operated during the war and immediately afterwards was built up.

Mr. Taylor, there is a tremendous amount of noise in the Chamber. I think hon. members opposite could at least stop talking and listen to the Opposition's viewpoint on the matter.

As I pointed out, there was a very obnoxious practice during and immediately following the war, with people having to pay a very high rental, and in addition, large sums as “key money” for possession of the premises. In the last few days cases have been brought to my notice of people holding leases for periods of two or three years, and receiving notice that there will be an abnormally high increase in rent.

I could understand it if there was some uniformity in the matter, but with an increase of even 15 per cent. the profit from many of these small businesses is eaten up entirely. I think it is unfair and unreasonable. We should be encouraging these small

businesses. With the many take-overs of recent times there are very few small business people left. They are finding it difficult enough now to compete against the chain store monopolies. Now they are to be squeezed by having to pay excessive rents, sometimes to their competitors who have taken over their properties.

If the Government believe in free competition as they say they do they should retain some control of these matters, but they are squeezing the little man right out of business. For those and many other reasons we oppose the clause and I indicate the Opposition's attitude accordingly.

**Mr. AIKENS** (Townsville South) (1.10 p.m.): There is a fair amount of noise in the Chamber and I have been suffering from ear trouble. Are we discussing Clause 9, Mr. Taylor?

**The CHAIRMAN:** Yes.

**Mr. AIKENS:** Clause 9 amends certain procedures with regard to eviction notices that are served on tenants, and the reasons for eviction.

I have been very much concerned for years about the blatant lies told in court by landlords, by their estate agents and by their solicitors, and I think something should be done about it, either by writing into this or some other Act a provision for punitive measures to be taken against people who go into court and apply for the eviction of a tenant and tell lies to secure the eviction order.

When the Bill becomes law a landlord, or even a purchaser who pays a quarter of the purchase price within 12 months, can go into court and say, “I reasonably require these premises for my own occupancy”, or “I reasonably require them for occupancy by a relative or a friend who is dependant on me”, and the court naturally must take notice of his evidence. It must accept in good faith what the landlord or the purchaser says, or what the solicitor for both states, when everyone in town knows that the landlord is deliberately lying and that the solicitor is lying, when everybody knows that the landlord has no intention whatever of occupying the premises and that he has no intention whatever of requiring the premises for a relative or a dependant.

**Mr. Bennett:** That is a reflection on the magistrate.

**Mr. AIKENS:** It is not. I do not want to enter into crossfiring with the hon. member for South Brisbane. The interjection indicates the peculiar, warped thinking that we get from the hon. member for South Brisbane at times. The landlord goes into court, the estate agent goes into court or the solicitor goes into court, and they get in the witness box. The solicitor, of course, does not get

into the witness box. They give evidence and the magistrate is required to accept the evidence.

**Mr. Bennett:** He is not.

**Mr. AIKENS:** There is no evidence in rebuttal because the tenant in the witness box can only say, "I do not think the landlord does want this place at all. I think he is only trying to get me out so that he can immediately let it at a higher rental." The magistrate must accept the evidence of the landlord and the assurance given to him by his solicitor. He cannot say, "From my own personal knowledge, I know this landlord is an old go-getter and I have had cases like this represented by this particular solicitor before."

**Mr. Bennett:** The landlord can be cross-examined to test his story.

**Mr. AIKENS:** As the hon. member knows, in many cases the unfortunate tenant is a battler, widow or pensioner who cannot afford to have legal representation, so that the landlord's story can be adequately tested. I think the hon. member would admit that point. More often than not the unfortunate tenant is there by himself. I know one solicitor in Townsville who is known as the solicitor for unscrupulous landlords and maggotty mince, because their cases are the only ones in which he makes representations in Court.

I leave it to the legal eagles to work out, or probably the Minister for Justice himself; if it can be subsequently shown that a landlord went into court and swore on oath that he wanted premises for his own occupancy, the occupancy of a relative or a person dependent on him and that later he did not occupy the premises and did not put a relative or dependant into the premises but immediately re-let them to someone else at a higher rental, there should be some way by which the landlord can be brought to court.

**Mr. Bennett:** There is a section of the Act that provides for it.

**Mr. AIKENS:** I am glad to have that interjection. If there is a section of the Act, then why has it not been put into effect? If the Minister will give me an assurance that he will put that punitive section into effect, I guarantee to dredge up a dozen cases in Townsville alone of landlords and their solicitors who have deliberately lied to get the necessary eviction order from the magistrate.

**Hon. A. W. MUNRO** (Toowong—Minister for Justice) (1.14 p.m.): There is very little substance in the remarks of the hon. member for Townsville South or relevancy to the clause. I do not propose to discuss the matter in further detail now, except to make it clear that I could not possibly accept the statement that everybody knows in regard to cases

before the Fair Rents Court that the landlord is lying and the solicitor is lying. Statements of that kind condemn themselves.

Proceeding with the more important part of this clause discussed by the Leader of the Opposition, I wish to comment on his reference to key money. This, and other similar evils, occur only when there is artificial control of rental, or artificial controls of other matters. The Leader of the Opposition's comments on key money are more in the nature of arguments for the clause. Whatever reasons there are, or may have been, for artificial control of the rental of houses used for residential purposes, I should say quite definitely that they do not apply to rental of business premises in normal times. There may have been good reason for control of business rentals under war-time conditions but there is no sound reason in these normal times for a continuation of completely artificial controls of rental paid mainly by one businessman to another.

Question—That Clause 9, as read, stand part of the Bill—put; and the Committee divided—

#### AYES, 40

Mr. Armstrong	Mr. Madsen
" Beardmore	" Morris
" Bjelke-Petersen	" Müller
" Camm	" Munro
" Campbell	" Nicklin
" Carey	Dr. Noble
Dr. Delamothé	Mr. Pilbeam
Mr. Dewar	" Pizzev
" Evans	" Rae
" Ewan	" Ramsden
" Fletcher	" Richter
" Gaven	" Row
" Gilmore	" Smith
" Harrison	" Sullivan
" Hart	" Tooth
" Herbert	" Wharton
" Hiley	" Windsor
" Hodges	
" Hughes	<i>Tellers:</i>
" Jones	Mr. Hewitt
" Lonergan	" Knox

#### NOES, 27

Mr. Aikens	Mr. Inch
" Baxter	" Lloyd
" Bennett	" Mann
" Bromley	" Marsden
" Burrows	" Newton
" Byrne	" O'Donnell
" Davies	" Thackeray
" Dean	" Tucker
" Diplock	" Wallace
" Donald	" Walsh
" Duggan	
" Graham	<i>Tellers:</i>
" Hanlon	Mr. Melloy
" Hilton	" Sherrington
" Houston	

#### PAIRS

Mr. Hooper	Mr. Adair
" Chalk	" Dufficy
" Low	" Gunn

Resolved in the affirmative.

Clauses 10 and 11, as read, agreed to.

Bill reported, without amendment.

The House adjourned at 1.24 p.m.