

2. **Functions.**—(i) *Encouragement, and advancement of industrial development necessary for Commonwealth responsibilities.* Many industrialists, both local and overseas, wishing to establish new industries or expand existing industries have sought information regarding secondary industry in Australia, size of markets, availability of factory space, etc. Such information has been supplied by the Division of Industrial Development. All possible assistance has been rendered to industrialists wishing to expand industrial production. The Division systematically records data relating to manufacturing activity in Australia.

(ii) *Exercise of Commonwealth responsibilities with respect to the national policy of decentralization.* The Division has been responsible for the sale or lease of government-owned factories which were built during the war. Many of these factories are located in Queensland, South Australia, Tasmania, Western Australia and the country areas of Victoria and New South Wales. Some 186 leases and 19 sales of such factories have been effected and a wide range of products is now being manufactured in decentralized areas.

(iii) *Promotion of efficiency in industry; study of technical, production and managerial problems; encouragement and assistance in dissemination and application of new knowledge and new methods.* Manufacturers in Australia are kept informed by the Division regarding any technical and scientific information from overseas of which it becomes aware. Reports prepared by the scientific and technical missions in ex-enemy countries are disseminated, and a micro-film service, under which copies of German machine tool drawings, original German summary documents and Patent Applications and Specifications can be made available to industrialists, is provided by the Division. The Materials Handling Bureau of the Division, upon request, advises manufacturers regarding problems of materials handling and also arranges public demonstrations showing the latest methods employed in handling materials. Advice on chemical problems is tendered by the Chemical Section of the Division.

(iv) *Undertaking for publication continuing studies of structure and operation of Australian manufacturing industries.* Continuous study of a wide range of Australian industries is being undertaken by the Division. Up to 30th November, 1948, brief reviews of the following industries had been published by the Division:—Footwear, tractor, cosmetics, cotton textile, furniture, agricultural implements, rubber, leather and carpet.

## § 15. Daylight Saving.

The Commonwealth Government, under National Security Regulations, operated a scheme of daylight saving during summer time of the years 1941-42 to 1943-44 throughout Australia, with the exception for the last year of Western Australia. For particulars of the actual periods of operation see Official Year Book No. 36.

## § 16. Rent Control.

1. **Need for Rent Control.**—Prior to the outbreak of the 1939-45 War, rent control legislation existed in Victoria and Queensland only. When hostilities commenced, the need became immediately apparent for more rigid control of the relationship between landlord and tenant in order to avoid rent inflation arising from increased spending power and from the exploitation of the acute shortage of housing accommodation in areas surrounding military camps and war-time industries.

On 9th September, 1939, a conference on war-time controls between the Premiers of all States and Commonwealth authorities resolved that all the States would co-operate with the Commonwealth in setting up the machinery necessary for rent control, and that in effecting this the existing instrumentalities would be retained as far as possible.

2. *National Security (Fair Rent) Regulations, September, 1939.*—On 29th September, 1939, the Commonwealth, under its emergency powers, issued the National Security (Fair Rent) Regulations in order to provide a basis for action in those States lacking rent control legislation. These regulations empowered the Governor-in-Council of a State to constitute Fair Rents Boards and also gave him discretionary power to fix the maximum rents of certain classes of premises at the 31st August, 1939 level during the period ending 31st December, 1939. The two main features of the regulations were the provisions enabling Fair Rents Boards to determine fair rents, and those protecting tenants against eviction.

The powers given to the States under the regulations were accepted by Victoria, Queensland, and Tasmania, where rents were pegged at the rates in operation on 31st August, 1939, and Fair Rents Boards were constituted. The Commonwealth regulations were also introduced in the two territories administered by the Commonwealth, and Fair Rents Boards were constituted at Canberra and Darwin. In the other three States steps were taken to give effect to the decision of the Premiers' Conference by the introduction of State legislation.

An important feature of rent control in the Commonwealth up to this stage was that the fair rents regulations could not be enforced in any State by the Commonwealth Government, and their introduction was left to the discretion of the Governor-in-Council of the State concerned.

3. *National Security (Landlord and Tenant) Regulations, November, 1941.*—On 28th November, 1941, new regulations under the name of National Security (Landlord and Tenant) Regulations were brought into operation. Their general effect was to give greater security to tenants and to extend that security to tenants in States where, in the opinion of the Government, local legislation was inadequate. They covered all premises except those ordinarily let for holiday purposes only, premises licensed for the sale of spirituous and fermented liquors, and premises of agricultural properties, and they applied to any part of any premises separately let, and to furnished premises.

The provisions of the regulations relating to termination of tenancies, the recovery of possession of premises and the ejection of tenants from premises were expressed so as to apply in each State and Territory of the Commonwealth. Moreover, the Minister could, by order, apply the other provisions of the regulations to any State or Territory where he was satisfied that the law of that State or Territory did not sufficiently carry out the object of the regulations. Orders to this effect were made in respect of New South Wales on 28th November, 1941, the Australian Capital Territory on 29th December, 1941, Tasmania on 7th March, 1942, Victoria on 26th March, 1942, Queensland on 13th April, 1942, and Northern Territory on 29th January, 1943.

These regulations were subjected to considerable amendment between their introduction and the date upon which they were repealed. Generally speaking, however, their main features were the following :—

(i) *Determination of Rents.* The maximum rent of all premises to which the regulations applied was fixed at the amount ruling at the "prescribed date" declared by the Minister in respect of the State or Territory in which the premises were situated. In the cases of Victoria and Queensland the 31st December, 1940 was fixed as the prescribed date, while, in the cases of New South Wales, Australian Capital Territory, Tasmania and Northern Territory, the date so fixed was the 31st August, 1939. The regulations also made provision whereby the landlord or tenant could apply to a Fair Rents Board for a determination of the fair rent of the premises.

(ii) *Termination of Tenancies.* The regulations provided that a landlord should not undertake any proceedings for the ejection of his tenant or the termination of the tenancy except in the manner prescribed. The regulations limited the grounds on which notice to quit might be given and prescribed the period of the notice.

4. **Conference with Magistrates, March, 1943.**—At the end of March, 1943, a conference with magistrates at Canberra recommended that some central organization should be set up which would be in a position to give advice when required, and which could co-ordinate the activities of the Fair Rents Boards and take action to ensure as far as possible that a uniform policy was followed in determining rents.

Partly as a result of this conference, it was decided that steps should be taken to repeal the old regulations and to replace them by new regulations, which were not, however, gazetted until 15th June, 1945. Their operation was postponed until 2nd July, 1945, in order to enable the public to become acquainted with them.

5. **New Regulations, June, 1945.**—The most outstanding change in the new regulations was in the field of rent control, provision being made for the appointment of a Commonwealth Rent Controller with power to fix the rent of rooms and other shared accommodation. In the cases of all other premises, the determination of rents was still left with the Fair Rents Boards. It was felt that this change would not only afford relief to the Fair Rents Boards which had in many cases been overtaxed by the number of applications before them, but would also permit a more simple and speedy determination of room and apartment rents. The regulations provided for appeal from the Controller to a Fair Rents Board.

These regulations, as before, not only protected tenants against excessive rents but also gave them security of tenure. The provisions of the regulations governing rent control applied throughout the Commonwealth except in South Australia and Western Australia. The remaining provisions of the regulations applied in all States and Territories of the Commonwealth.

The Minister had power by order to exclude any premises from the operation of the regulations, and, by an order dated 2nd July, 1945, the following premises were excluded :—

- (1) Premises licensed for sale of spirituous or fermented liquors.
- (2) Premises ordinarily leased for holiday purposes only.

The new regulations, when first issued, were administered by the Minister for Trade and Customs. On 16th October, 1945, however, their administration was transferred to the Minister of State for Works and Housing under whom it was extended to 31st December, 1947 by the Defence (Transitional Provisions) Act 1946.

6. **Appointment of Commonwealth Rent Controller and Deputy Rent Controllers.**—On 2nd July, 1945 a Commonwealth Rent Controller was appointed, and on the same date he appointed deputies in the various States and Territories of the Commonwealth. The Deputy Rent Controllers dealt with applications for determinations of rent in the case of shared accommodation, investigated any breaches of the regulations and took all steps necessary to ensure compliance with them.

The Controller did not personally engage in the determination of rents of shared accommodation. His task was to co-ordinate the activities of his various Deputies and to ensure as far as possible their uniform carrying out of policy. All matters for prosecution were referred to him for consideration before any proceedings were commenced.

7. **Further Amendments to Regulations.**—In order to prevent unscrupulous lessors from defeating the regulations, "holiday premises" were re-defined, in December, 1946, to ensure that only *bona fide* holiday lettings were excluded from the operation of the regulations.

The next important change was the abolition of the divided jurisdiction in fixing fair rents. Because of the legal atmosphere surrounding the determination of fair rents of premises, other than shared accommodation, and the absence of facilities for investigating complaints, Cabinet decided to transfer the jurisdiction of the Fair Rents Boards to the Controller. A right of appeal to a Fair Rents Board (consisting of a magistrate sitting alone) was, however, provided in the amendment of the regulations taking effect from 30th December, 1946.

Further amendments, of a legal or procedural nature, were made in March, 1947. They included the restriction of eviction proceedings to courts of summary jurisdiction, the disallowing of appeals over eviction cases except on questions of law, the protection

(for a period of six months after the transaction) from a notice to quit of tenants of houses sold by the lessor, and the prevention of traffic in tenancies by including, as new grounds for an eviction order, the transfer of a lease by the lessee or a sub-lease without the approval of the lessor.

Finally, on 26th February, 1948, amendments were found necessary to resolve administrative difficulties created by a decision of the High Court, which held that the Controller was unable to vary determinations of his own motion.

**8. The Defence (Transitional Provisions) Act and the Referendum.**—At the Premiers' Conference in August, 1946, the continuance of various war-time controls exercised by the Commonwealth was considered, and it was resolved that rent and eviction control should continue to be exercised by the Commonwealth supported by appropriate complementary State legislation. Legislation giving effect to this resolution was at length passed by all State Parliaments, although there was variation from State to State in the period of operation (e.g. the Victorian Act expired on 30th June, 1947 and was not re-enacted).

Meanwhile, Federal Cabinet had decided to pass substantive legislation to replace the Regulations which depended on the National Security Act. Time did not allow for preparation of this legislation, and, instead, the Defence (Transitional Provisions) Act was passed on 14th December, 1946. This had the effect of continuing in operation various regulations, including the National Security (Landlord and Tenant) Regulations, for a further period.

The regulations were dependent for their validity upon the defence power contained in the Constitution, and the danger of a successful challenge in the High Court became increasingly great as time passed. Serious doubts also existed whether the various economic controls could be effectively exercised by the individual States, especially as the Victorian precedent introduced doubts as to the retention of the necessary legislation in the other States. Accordingly the Government held a referendum to obtain approval for the Commonwealth to legislate on rents and prices (including charges). On the defeat of this referendum, the Commonwealth Government decided to return various controls, including that over rents and evictions, to the States. The transfer was effected on 16th August, 1948, so far as New South Wales, Victoria, South Australia, Western Australia and Tasmania were concerned, and on 1st September, 1948, in the case of Queensland. The change in regard to South Australia and Western Australia related only to evictions as both these States controlled rents under State law.

**9. Statistics.**—In the period of two and a half years ended 30th June, 1948, determinations of rent of shared accommodation totalled 35,768; 20,954 rents were decreased by rent control action, 6,147 increased and 8,667 were unchanged. The net effect of 35,768 determinations was a reduction of about 13 per cent. in total weekly rentals from nearly £50,000 prior to determination to about £43,000 after rents were fixed. In the eighteen months during which the Controller exercised jurisdiction over rents of complete units of accommodation, 20,312 determinations were made; the rents of 5,491 complete units were reduced, 10,499 increased and 4,322 were unchanged.

Eviction proceedings in the two and a half years ended 30th June, 1948 resulted in 15,593 applications being granted and 11,291 refused, a total of 26,884 applications dealt with.

**10. Regulations for Protection of Members of Forces and War Workers.**—While the National Security (Landlord and Tenant) Regulations applied to civilian tenants, various provisions were inserted in other regulations to give special protection to members of the forces and to war workers. Thus National Security (War Service Moratorium) Regulations, administered by the Attorney-General, contained rent provisions which conferred additional protection on persons who were "protected persons" within the meaning of the regulations, and also enabled a protected person to require the owner to let to him a dwelling house which was vacant or about to become vacant. Protection was also extended to members of the Civil Construction Corps and their dependants by a provision in National Security (Allied Works) Regulations. Special provision for war workers in regard to rents and rented premises was also made in National Security (Housing and Accommodation) Regulations.