

1940.

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA,
CANBERRA.

VOTES AND PROCEEDINGS
OF THE
HOUSE OF REPRESENTATIVES.

No. 9.

WEDNESDAY, 8TH MAY, 1940.

1. The House met, at three o'clock p.m., pursuant to adjournment.—Mr. Speaker (the Honorable G. J. Bell) took the Chair, and read Prayers.
 2. MINISTERIAL STATEMENT—LEAVE TO MAKE NOT GRANTED.—Mr. Cameron (Minister for Commerce) asked leave to make a Ministerial Statement.
Objection being raised, leave not granted.
 3. MOTION WITHOUT NOTICE—LEAVE TO MOVE NOT GRANTED.—Mr. Scholfield asked leave to move a Motion without notice.
Objection being raised, leave not granted.
 4. MARGINAL WHEAT FARMING LANDS—MINISTERIAL STATEMENT.—Mr. Cameron (Minister for Commerce), by leave, made a Ministerial Statement with reference to the grant of money by the Commonwealth to the States to assist in the elimination of marginal production in the wheat-growing industry.
 5. PRESENTATION OF ADDRESS IN REPLY.—Mr. Speaker informed the House that the Address in Reply would be presented to His Excellency the Governor-General at Government House at half-past ten o'clock a.m. to-morrow.
Mr. Speaker said he would be glad if the mover and seconder, together with other honorable Members, would accompany him to present the Address.
 6. ADJOURNMENT-MOTION FOR PURPOSE OF DISCUSSION.—Mr. Wilson rose in his place, and said that he proposed to move the adjournment of the House for the purpose of discussing a definite matter of urgent public importance, namely, "The deplorable position of the wheat-growing industry necessitating a further payment on acquired wheat in the No. 2 Pool".
Mr. Speaker thereupon called upon those Members who approved of the proposed discussion to rise in their places, and more than the necessary number of Members having risen accordingly—
Mr. Wilson moved, That the House do now adjourn.
Debate ensued.
Mr. Scully addressing the House and not having concluded his speech at the termination of the time allowed by Standing Order No. 257B—
Ordered—That the honorable Member have leave to continue his speech.
Debate continued.
Mr. McHugh addressing the House and not having concluded his speech at the termination of the time allowed by Standing Order No. 257B—
Ordered—That the honorable Member have leave to continue his speech.
Debate continued.
Mr. Thompson addressing the House and not having concluded his speech at the termination of the time allowed by Standing Order No. 257B—
Ordered—That the honorable Member have leave to continue his speech.
Debate continued.
- The debate having been continued for two hours, it was terminated in accordance with Standing Order No. 257B.
7. PAPERS.—The following Papers were presented, pursuant to Statute—
Air Force Act—Regulations Amended—Statutory Rules 1940, No. 75.
Commonwealth Public Service Act—Regulations Amended—Statutory Rules 1940, No. 74.
Customs Act—Proclamations prohibiting the exportation (except under certain conditions) of—
Bags, sacks, packs, bales and mats of hessian or jute; Hessians and other jute piece goods;
Metal working machine tools; Petroleum products; Tetra-ethyl lead (dated 30th April, 1940).
Coal; Fuel Oil; Ships' Stores (dated 15th April, 1940).
Ores and Concentrates; Minerals; Metals and Metal Manufactures; Other Metals;
Drugs and Chemicals; Miscellaneous (dated 23rd April, 1940).
Defence Act—Regulations Amended—Statutory Rules 1940, No. 76.

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- Lands Acquisition Act—Land acquired for Postal purposes—
King Island, Tasmania.
Lymington, Tasmania.
- National Security Act—
National Security (Apple and Pear Acquisition) Regulations—Order.
Regulations Amended, &c.—Statutory Rules 1940, Nos. 71, 73, 77, 78, 79.
- Northern Territory Acceptance Act and Northern Territory (Administration) Act—Brands Ordinance—Regulations Amended.
- Papua Act—Ordinance of 1940—No. 2—Postal Rates (Defence Forces).
8. ESTATE DUTY ASSESSMENT BILL 1940.—Mr. Spender (Treasurer) moved, by leave, That he have leave to bring in a Bill for an Act to amend the *Estate Duty Assessment Act 1914–1928*.
Question—put and passed.
Mr. Spender then brought up the Bill accordingly, and moved, That it be now read a first time.
Question—put and passed.—Bill read a first time.
Mr. Spender moved, by leave, That the Bill be now read a second time.
Mr. Curtin (Leader of the Opposition) moved, That the debate be now adjourned.
Question—That the debate be now adjourned—put and passed.
Ordered—That the resumption of the debate be made an Order of the Day for the next sitting.
9. INCOME TAX ASSESSMENT BILL 1940.—Mr. Spender (Treasurer) moved, by leave, That he have leave to bring in a Bill for an Act to amend the *Income Tax Assessment Act 1936–1939*.
Question—put and passed.
Mr. Spender then brought up the Bill accordingly, and moved, That it be now read a first time.
Question—put and passed.—Bill read a first time.
Mr. Spender moved, by leave, That the Bill be now read a second time.
Mr. Curtin (Leader of the Opposition) moved, That the debate be now adjourned.
Question—That the debate be now adjourned—put and passed.
Ordered—That the resumption of the debate be made an Order of the Day for the next sitting.
10. LAND TAX ASSESSMENT BILL 1940.—Mr. Spender (Treasurer) moved, by leave, That he have leave to bring in a Bill for an Act to amend the *Land Tax Assessment Act 1910–1937*.
Question—put and passed.
Mr. Spender then brought up the Bill accordingly, and moved, That it be now read a first time.
Question—put and passed.—Bill read a first time.
Mr. Spender moved, by leave, That the Bill be now read a second time.
Mr. Curtin (Leader of the Opposition) moved, That the debate be now adjourned.
Question—That the debate be now adjourned—put and passed.
Ordered—That the resumption of the debate be made an Order of the Day for the next sitting.
11. POSTPONEMENT OF ORDERS OF THE DAY.—Ordered—That Orders of the Day Nos. 1 to 9 be postponed until after Order of the Day No. 10, Government Business.
12. WAYS AND MEANS—INCOME TAX.—The House, according to Order, resolved itself into the Committee of Ways and Means.

(In the Committee.)

Mr. Spender (Treasurer) moved—

1. That a tax be imposed upon incomes at the following rates :—

Division A.—Rate of Tax in Respect of Taxable Income Derived from Personal Exertion.

If the taxable income does not exceed Five hundred pounds, the rate of tax for every pound of taxable income shall be five pence.

If the taxable income exceeds Five hundred pounds but does not exceed One thousand pounds, the rate of tax for every pound of taxable income shall be five pence and one-fiftieth of a penny increasing uniformly by one-fiftieth of a penny for every pound by which the taxable income exceeds Five hundred and one pounds.

If the taxable income exceeds One thousand pounds but does not exceed Four thousand and two hundred pounds, the rate of tax for every pound of taxable income shall be fifteen pence and one-hundredth of a penny increasing uniformly by one-hundredth of a penny for every pound by which the taxable income exceeds One thousand and one pounds.

and

If the taxable income exceeds Four thousand and two hundred pounds, the rate of tax for every pound of taxable income up to and including Four thousand and two hundred pounds shall be forty-seven pence, and the rate of tax for every pound of taxable income in excess of Four thousand and two hundred pounds shall be ninety pence.

Division B.—Rate of Tax in Respect of Taxable Income Derived from Property.

If the taxable income does not exceed Five hundred pounds, the rate of tax for every pound of taxable income shall be six pence.

If the taxable income exceeds Five hundred pounds but does not exceed One thousand pounds, the rate of tax for every pound of taxable income shall be six pence and three one-hundredths of a penny increasing uniformly by three one-hundredths of a penny for every pound by which the taxable income exceeds Five hundred and one pounds,

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If the taxable income exceeds One thousand pounds but does not exceed Four thousand and two hundred pounds, the rate of tax for every pound of taxable income shall be twenty-one pence and one-eightieth of a penny increasing uniformly by one-eightieth of a penny for every pound by which the taxable income exceeds One thousand and one pounds.

and

If the taxable income exceeds Four thousand and two hundred pounds, the rate of tax for every pound of taxable income up to and including Four thousand and two hundred pounds shall be sixty-one pence, and the rate of tax for every pound of taxable income in excess of Four thousand and two hundred pounds shall be one hundred and eight pence.

Division C.—Rates of Tax in Respect of Taxable Income Derived Partly from Personal Exertion and Partly from Property.

(a) For every pound of taxable income derived from personal exertion, the rate of tax shall be ascertained by dividing the total amount of the tax that would be payable under Division A if the total taxable income of the taxpayer were derived exclusively from personal exertion, by the amount of the total taxable income.

(b) For every pound of taxable income derived from property, the rate of tax shall be ascertained by dividing the total amount of the tax that would be payable under Division B if the total taxable income of the taxpayer were derived exclusively from property, by the amount of the total taxable income.

Division D.—Rates of Tax by reference to an Average Income.

(a) For every pound of the taxable income derived from personal exertion by a taxpayer to whose income Division 16 of Part III. of the *Income Tax Assessment Act 1936-1940* is applied, the rate of tax shall be ascertained by dividing the tax that would be payable under Division A upon a taxable income from personal exertion equal to his average income, by that average income.

(b) For every pound of taxable income derived by him from property the rate of tax shall be ascertained by dividing the tax that would be payable under Division B upon a taxable income from property equal to his average income, by that average income.

Division E.—Rate of Tax by reference to a Notional Income.

(a) For every pound of the actual taxable income from personal exertion of a taxpayer deriving a notional income, as specified by sub-section (1.) of section eighty-six of the *Income Tax Assessment Act 1936-1940*, the rate of tax shall be the amount obtained by dividing the tax that would be payable under Division A upon a taxable income from personal exertion equal to his notional income, by that notional income.

(b) For every pound of the actual taxable income from property of a taxpayer deriving a notional income, as specified by sub-section (1.) of section eighty-six of the *Income Tax Assessment Act 1936-1940*, the rate of tax shall be the amount obtained by dividing the tax that would be payable under Division B upon a taxable income from property equal to his notional income, by that notional income.

Division F.—Tax payable where amount would otherwise be less than Ten shillings.

Notwithstanding anything contained in the last five preceding Divisions, where the amount of income tax which a person would, apart from this Division, be liable to pay is less than Ten shillings, the income tax payable by that person shall be Ten shillings.

Division G.—Rates of Tax Payable by a Trustee.

For every pound of the taxable income in respect of which a trustee is liable, pursuant to either section ninety-eight or section ninety-nine of the *Income Tax Assessment Act 1936-1940*, to be assessed and to pay tax the rate of tax shall be the rate which would be payable under Division A, B, C, D or E as the case requires, if one individual were liable to be assessed and to pay tax on that taxable income.

Division H.—Rates of Tax Payable by a Company.

(a) Subject to the last preceding Division, for every pound of the taxable income of a company the rate of tax shall be twenty-four pence.

(b) Subject to the last preceding Division, for every pound of that portion of the taxable income of a company which has not been distributed as dividends on which the company is liable, pursuant to Part IIIA. of the *Income Tax Assessment Act 1936-1940*, to pay further tax, the rate of tax shall be twelve pence.

(c) For every pound of interest in respect of which a company is liable, pursuant to sub-section (1.) of section one hundred and twenty-five of the *Income Tax Assessment Act 1936-1940* to pay income tax, the rate of tax shall be twenty-four pence.

2. That tax in accordance with the foregoing provisions of this resolution shall be levied and paid for the financial year beginning on the first day of July, One thousand nine hundred and forty.

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3. That the foregoing provisions of this resolution shall also apply to all assessments for financial years subsequent to that beginning on the first day of July, One thousand nine hundred and forty made prior to the commencement of the Act for the levying and payment of income tax for the financial year beginning on the first day of July, One thousand nine hundred and forty-one.

Progress to be reported, and leave asked to sit again.

The House resumed ; Mr. Collins reported accordingly.

Resolved—That the House will, at a later hour this day, again resolve itself into the said Committee.

13. FINANCIAL STATEMENT—MOTION FOR PRINTING PAPER.—The Order of the Day having been read for the resumption of the debate on the following motion of Mr. Spender (Treasurer), That the Paper [presented on the 2nd instant], viz. :—

Financial Statement by the Honorable P. C. Spender, K.C., M.P., Treasurer—
be printed—

Debate resumed.

Mr. Scullin addressing the House and not having concluded his speech at the termination of the time allowed by Standing Order No. 257B—

Ordered—That the Right Honorable Member have leave to continue his speech.

Mr. Scullin continuing to address the House and not having concluded his speech at the termination of the further time allowed—

Ordered—That the Right Honorable Member have leave to continue his speech.

Mr. Holt moved, That the debate be now adjourned.

Question—That the debate be now adjourned—put and passed.

Ordered—That the resumption of the debate be made an Order of the Day for the next sitting.

14. MESSAGE FROM THE GOVERNOR-GENERAL.—WAR PENSIONS APPROPRIATION BILL 1940.—The following Message from His Excellency the Governor-General was presented, and was read by Mr. Speaker :—

GOWRIE,

Governor-General.

Message No. 1.

In accordance with the requirements of Section fifty-six of the Constitution of the Commonwealth of Australia, the Governor-General recommends to the House of Representatives that an appropriation of revenue be made for the purposes of a Bill for an Act to grant and apply out of the Consolidated Revenue Fund a sum for War Pensions.

Canberra, 10th April, 1940.

Ordered—That the foregoing Message be taken into consideration, in Committee of the whole House, forthwith.

Mr. Speaker left the Chair, and the House resolved itself into a Committee of the Whole.

(In the Committee.)

Mr. Spender (Treasurer) moved, That it is expedient that an appropriation of revenue be made for the purposes of a Bill for an Act to grant and apply out of the Consolidated Revenue Fund a sum for War Pensions.

Question—put and passed.

Resolution to be reported.

The House resumed ; Mr. Collins reported accordingly.

Mr. Spender moved, pursuant to contingent notice, That so much of the Standing Orders be suspended as would prevent the remaining stages being passed without delay.

Question—put and passed.

The Resolution reported from the Committee was read, and, on the motion of Mr. Spender, was adopted by the House.

Ordered—That Mr. Spender and Mr. Street do prepare and bring in a Bill to carry out the foregoing Resolution.

Mr. Spender then brought up the Bill accordingly, and moved, That it be now read a first time.

Question—put and passed.—Bill read a first time.

Mr. Spender moved, That the Bill be now read a second time.

Mr. Curtin (Leader of the Opposition) moved, That the debate be now adjourned.

Question—That the debate be now adjourned—put and passed.

Ordered—That the resumption of the debate be made an Order of the Day for the next sitting.

15. MESSAGE FROM THE GOVERNOR-GENERAL.—INVALID AND OLD-AGE PENSIONS APPROPRIATION BILL 1940.—The following Message from His Excellency the Governor-General was presented, and was read by Mr. Speaker :—

GOWRIE,

Governor-General.

Message No. 2.

In accordance with the requirements of Section fifty-six of the Constitution of the Commonwealth of Australia, the Governor-General recommends to the House of Representatives that an appropriation of Revenue be made for the purposes of a Bill for an Act to grant and apply out of the Consolidated Revenue Fund a sum for Invalid and Old-age Pensions.

Canberra, 10th April, 1940.

8th May, 1940.

Ordered—That the foregoing Message be taken into consideration, in Committee of the whole House, forthwith.

Mr. Speaker left the Chair, and the House resolved itself into a Committee of the Whole.

(In the Committee.)

Mr. Spender (Treasurer) moved, That it is expedient that an appropriation of Revenue be made for the purposes of a Bill for an Act to grant and apply out of the Consolidated Revenue Fund a sum for Invalid and Old-age Pensions.

Question—put and passed.

Resolution to be reported.

The House resumed ; Mr. Collins reported accordingly.

Mr. Spender moved, pursuant to contingent notice, That so much of the Standing Orders be suspended as would prevent the remaining stages being passed without delay.

Question—put and passed.

The Resolution reported from the Committee was read, and, on the motion of Mr. Spender, was adopted by the House.

Ordered—That Mr. Spender and Mr. Street do prepare and bring in a Bill to carry out the foregoing Resolution.

Mr. Spender then brought up the Bill accordingly, and moved, That it be now read a first time.

Question—put and passed.—Bill read a first time.

Mr. Spender moved, That the Bill be now read a second time.

Mr. Curtin (Leader of the Opposition) moved, That the debate be now adjourned.

Question—That the debate be now adjourned—put and passed.

Ordered—That the resumption of the debate be made an Order of the Day for the next sitting.

16. COMMONWEALTH ELECTORAL BILL 1939.—SENATE'S REQUEST FOR RESUMPTION OF CONSIDERATION.—

The Order of the Day having been read for the consideration of the Message from the Senate requesting the resumption by the House of the consideration of this Bill, which was transmitted to the House for concurrence during the last Session of the Parliament, and the proceedings on which were interrupted by the Prorogation of the Parliament—

Mr. Nock (Minister representing the Minister for the Interior) moved, That the request of the Senate, contained in its Message No. 1 for the resumption by the House of the consideration of the Commonwealth Electoral Bill, be complied with, and that a Message be transmitted to the Senate acquainting it therewith, and that the resumption of the debate on the question, That the Bill be now read a second time (the stage which the Bill had reached last Session), be made an Order of the Day for the next sitting.

Debate ensued.

Question—put.

The House divided (The Speaker, Mr. Bell, in the Chair)—

Ayes, 27.

Noes, 26.

Mr. Anthony	Mr. Nairn	Mr. Barnard	Mr. Makin
Mr. Badman	Mr. Nock	Mr. Beasley	Mr. Martens
Mr. Cameron	Sir Earle Page	Mr. Blackburn	Mr. McHugh
Mr. Collins	Mr. Paterson	Mr. Brennan	Mr. Pollard
Mr. Fairbairn	Mr. Rankin	Mr. Clark	Mr. Scullin
Mr. Gregory	Mr. Spender	Mr. Conelan	Mr. Scully
Mr. Harrison	Sir Frederick Stewart	Mr. Dedman	Mr. Sheehan
Mr. Holt	Mr. Street	Mr. Drakeford	Mr. Spurr
Mr. Hughes	Mr. Thompson	Mr. Forde	Mr. Ward
Mr. Jennings	Mr. Thorby	Mr. Frost	Mr. Watkins
Mr. Jolly		Mr. Holloway	<i>Tellers:</i>
Mr. Lane		Mr. James	
Sir Charles Marr	<i>Tellers:</i>	Mr. Lazzarini	Mr. Gander
Mr. McCall	Mr. Corser	Mr. Mahoney	Mr. George Lawson
Mr. McEwen	Mr. Gardner		

And so it was resolved in the affirmative.

17. POSTPONEMENT OF ORDER OF THE DAY.—Ordered—That Order of the Day No. 3 be postponed until after Order of the Day No. 4, Government Business.

18. COMMONWEALTH INSCRIBED STOCK BILL 1940.—The Order of the Day having been read for the second reading—Mr. Spender (Treasurer) moved, That the Bill be now read a second time.

Mr. Scullin moved, That the debate be now adjourned.

Question—That the debate be now adjourned—put and passed.

Ordered—That the resumption of the debate be made an Order of the Day for the next sitting.

19. WAYS AND MEANS—LAND TAX.—The House, according to Order, again resolved itself into the Committee of Ways and Means.

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(In the Committee.)

Mr. Spender (Treasurer) moved—

1. That in lieu of the rates of tax imposed by the *Land Tax Act 1910-1938*, there be imposed land tax at the following rates:—

DIVISION A.—RATE OF TAX WHEN OWNER IS NOT AN ABSENTEE.

For so much of the taxable value as does not exceed £75,000 the rate of tax per pound shall be One penny and one eighteen thousand seven hundred and fiftieth of one penny where the taxable value is One pound, and shall increase uniformly with each increase of One pound of the taxable value by One eighteen thousand seven hundred and fiftieth of one penny.

For every pound of taxable value in excess of £75,000 the rate of tax shall be Ninepence.

The rate of tax for so much of the taxable value as does not exceed £75,000 may be calculated from the following formula:—

R = rate of tax in pence per pound.

V = taxable value in pounds.

$$R = \left\{ 1 + \frac{V}{18,750} \right\} \text{pence.}$$

DIVISION B.—RATE OF TAX WHEN OWNER IS AN ABSENTEE.

For so much of the taxable value as does not exceed £5,000 the rate of tax per pound shall be One penny. For so much of the taxable value as exceeds £5,000 but does not exceed £80,000 the rate of tax per pound shall be Twopence and one eighteen thousand seven hundred and fiftieth of one penny where the excess is One pound, and shall increase uniformly with each increase of One pound in the taxable value by One eighteen thousand seven hundred and fiftieth of one penny.

For every pound of taxable value in excess of £80,000 the rate of tax shall be Tenpence.

The rate of tax for so much of the taxable value as exceeds £5,000 and does not exceed £80,000 may be calculated from the following formula:—

R = rate of tax in pence per pound.

E = excess of taxable value over £5,000 in pounds.

$$R = \left\{ 2 + \frac{E}{18,750} \right\} \text{pence.}$$

2. That land tax in accordance with the foregoing provisions of this resolution shall be levied and paid for the financial year beginning on the first day of July, One thousand nine hundred and forty and for each financial year thereafter.

Progress to be reported, and leave asked to sit again.

The House resumed; Mr. Nairn reported accordingly.

Resolved—That the House will, at a later hour this day, again resolve itself into the said Committee.

20. WAYS AND MEANS—ESTATE DUTY.—The House, according to Order, again resolved itself into the Committee of Ways and Means.

(In the Committee.)

Mr. Spender (Treasurer) moved—

That in lieu of the rates of estate duty imposed by the *Estate Duty Act 1914* there be imposed estate duty upon the estates of deceased persons dying on or after the date of the commencement of the Act passed to give effect to this resolution at the following rates:—

- (a) Where the value for duty of the estate does not exceed Ten thousand pounds—Three pounds per centum.
- (b) Where the value for duty of the estate exceeds Ten thousand pounds but does not exceed Twenty thousand pounds—Three pounds per centum increasing by three one-hundredths of one pound per centum for every complete One hundred pounds by which that value exceeds Ten thousand pounds.
- (c) Where the value for duty of the estate exceeds Twenty thousand pounds but does not exceed One hundred thousand pounds—Six pounds per centum increasing by three two-hundredths of one pound per centum for every complete One hundred pounds by which the value exceeds Twenty thousand pounds.
- (d) Where the value for duty of the estate exceeds One hundred thousand pounds but is less than Five hundred thousand pounds—Eighteen pounds per centum increasing by one two-hundredths of one pound per centum for every complete One thousand pounds by which the value exceeds One hundred thousand pounds.
- (e) Where the value for duty of the estate is Five hundred thousand pounds or more—Twenty pounds per centum.

Progress to be reported, and leave asked to sit again.

The House resumed; Mr. Nairn reported accordingly.

Resolved—That the House will, at the next sitting, again resolve itself into the said Committee.

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21. ADJOURNMENT.—Mr. Spender (Treasurer) moved, That the House do now adjourn.
Question—put and passed.

And then the House, at twenty-three minutes past ten o'clock p.m., adjourned until to-morrow at half-past two o'clock p.m.

MEMBERS PRESENT.—All Members were present (at some time during the sitting) except—Mr. Francis, Sir Henry Gullett, Mr. Hunter, Mr. Maloney, Mr. Mulcahy, Mr. Prowse, Mr. Riordan, Mr. Rosevear, and Mr. White*.

* On leave.

F. C. GREEN,
Clerk of the House of Representatives.