

1934-35-36.

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA,  
CANBERRA.

VOTES AND PROCEEDINGS

OF THE

HOUSE OF REPRESENTATIVES.

No. 103.

THURSDAY, 21ST MAY, 1936.

1. The House met, at eleven o'clock a.m., pursuant to adjournment.—Mr. Speaker (the Honorable G. J. Bell) took the Chair, and read Prayers.
2. PRINTING COMMITTEE—FOURTH REPORT.—Mr. McBride brought up the Fourth Report from the Printing Committee (sitting in conference with the Printing Committee of the Senate). The Report was read by the Clerk, as follows:—

REPORT.

The Printing Committee have the honour to report that they have met in Conference with the Printing Committee of the Senate.

The Joint Committee, having considered the Petition and Papers presented to Parliament since the last meeting of the Committee, recommend that the following be printed:—

Ellsworth Antarctic Relief Expedition—Report by Captain L. C. Hill, Commanding Officer of the Royal Research Ship *Discovery II*.

Public Service Act—Twelfth Report on the Commonwealth Public Service by the Board of Commissioners, dated 11th December, 1935.

Norfolk Island—Report for year ended 30th June, 1935.

Papua—Annual Report, year 1934-35.

Northern Australia Survey Act—Reports of the Committee appointed to direct and control the Aerial, Geological and Geophysical Survey of Northern Australia, for the periods ended 30th June, 1935, and 31st December, 1935, respectively, together with Appendices, including photographs.

P. A. McBRIDE.

Senate Committee Room,  
21st May, 1936.

Mr. McBride moved, by leave, That the Report be agreed to.  
Question—put and passed.

3. PAPERS.—The following Paper was presented, by command of His Excellency the Governor-General—Paralysis—Elizabeth Kenny Clinic at Royal North Shore Hospital of Sydney—First Report by Medical Sub-committee appointed by the Board of Directors of the Hospital.  
Ordered to lie on the Table.

The following Papers were presented, pursuant to Statute—

Commerce (Trade Descriptions) Act—Regulations Amended—Statutory Rules 1936, No. 68.

Meat Export Control Act—Regulations Amended—Statutory Rules 1936, No. 58.

Naval Defence Act—Regulations Amended—Statutory Rules 1936, No. 63.

Prune Bounty Act—Regulations—Statutory Rules 1936, No. 57.

Wheat Growers Relief Act—Regulations Amended—Statutory Rules 1936, No. 67.

4. POSTPONEMENT OF ORDERS OF THE DAY.—Ordered—That Orders of the Day Nos. 1 and 2 be postponed until after Order of the Day No. 3, Government Business.

21st May, 1936.

5. CUSTOMS TARIFF BILL (1936)—SENATE'S REQUESTS.—The Order of the Day having been read for the consideration in Committee of the whole House of the Amendments requested by the Senate—Mr. Speaker left the Chair, and the House resolved itself into a Committee of the Whole.

(In the Committee.)

The Committee proceeded to consider the Amendments requested by the Senate, which are as follows :—

SCHEDULE SHOWING REQUESTS MADE BY THE SENATE FOR AMENDMENTS IN THE CUSTOMS TARIFF 1936.

**NOTE.—Italic type denotes requested omissions, black type requested insertions or alterations.**

Tariff Items.	Duty Passed by House of Representatives.			†Alteration of Duty Requested by Senate.		
	British Preferential Tariff.	Intermediate Tariff.	General Tariff.	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
No. 1—Page 17— 136. * * * * *	*	*	*			
By omitting the whole of sub-item (F) and inserting in its stead the following sub-item :—						
“(F) (1) * * * * *	*	*	*			
(2) Hoop n.o.i. - - ad val. and in respect of paragraph (2)—a deferred duty as follows :— on and after 1st January, 1936 1st July, 1936	Free	15 per cent.	15 per cent.			
(2) Hoop n.o.i. - - ad val. and per ton	10 per cent.	10 per cent. 70s.	22½ per cent. 70s.			
No. 2—Page 39— 174. * * * * *	*	*	*			
By omitting the whole of sub-item (w) and inserting in its stead the following sub-item :—						
“(w) Wood-working Machines and Appliances, but not including extra knives, viz. :—	*	*	*			
(24) Slicing machines, rotary, not being veneer slicing machines - - ad val.	Free	15 per cent.	15 per cent.			
AMEND PARAGRAPH TO MAKE IT— (24) Slicing machines, not being veneer slicing machines ad val.						
No. 3—Page 66— 234. By omitting the whole of sub-item (A) and inserting in its stead the following sub-item :—						
“(A) Portland Cement - - per cwt. And in respect of sub-item (A)— For each £1 by which the equivalent in Australian currency of £100 sterling is less than £125 at the date of exportation— An additional duty of per cwt. And on and after 2nd April, 1936	Free	1s.	1s. 4½d.			
(A) Portland Cement - - per cwt. AMEND SUB-ITEM BY MAKING THE DUTIES— per cwt. And in respect of sub-item (A)— For each £1 by which the equivalent in Australian currency of £100 sterling is less than £125 at the date of exportation— An additional duty of per cwt.	.36d.	.36d.	.36d.			
(A) Portland Cement - - per cwt.	6d.	1s. 3d.	1s. 6d.”			
per cwt.	..	..	..	Free	1s.	1s. 4½d.
per cwt.	..	..	..	.36d.	.36d.	.36d.
No. 4—Page 67— 250. * * * * *	*	*	*			
By omitting the whole of sub-item (b) and inserting in its stead the following sub-item :—						
“* * * * *	*	*	*			
And on and after 2nd April, 1936						
(b) Articles of cut glass, including bottles decanters flasks and jars of cut glass empty or containing goods not subject to an ad valorem duty and lamps and lampware of cut glass, but not including articles of etched or engraved glass - ad val.	15 per cent.	50 per cent.	60 per cent.			50 per cent.

† Where no duty is shown in these columns, the rate to remain the same as that passed by the House of Representatives.

21st May, 1936.

Tariff Items.	Duty Passed by House of Representatives.			†Alteration of Duty Requested by Senate.		
	British Preferential Tariff.	Intermediate Tariff.	General Tariff.	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
No. 5 -Page 67-- 250. * * * * * By omitting the whole of sub-item (c) and inserting in its stead the following sub-item :— “ * * * * * And on and after 2nd April, 1936 (c) Glassware n.o.i. - per dozen pieces ad val. 5 per cent. 40 per cent. 50 per cent. 1s. { And for each £1 by which the equivalent in Australian currency of £100 sterling is less than £125 at the date of exportation— or { An additional duty of ad val. .8 per cent. .8 per cent. .8 per cent. whichever rate returns the higher duty. * * * * *						10d. 40 per cent.
No. 6 -Page 70 -- 274. On and after 21st March, 1936 By omitting the whole of sub-item (A) and inserting in its stead the following sub-item :— “ (A) Bromine Salts ; Cyanide of Potassium, Cyanide of Sodium and Calcium Cyanide - - - - - AMEND SUB-ITEM TO MAKE IT-- (A) Bromine Salt being a mixture of sodium bromide and sodium bromate ; Cyanide of Potassium, Cyanide of Sodium and Calcium Cyanide - - - - -	Free	Free	Free.”			
No. 7 -Pages 82 and 83 - 359. * * * * * By omitting the whole of sub-item (b) and inserting in its stead the following sub-item :— “ (b) Parts of Bodies enumerated in paragraphs (1), (2) and (3) of sub-item (b), viz. :— (1) Pressed metal panels, not fabricated beyond trimming of edges - * * * * * (c) For bodies with fixed or movable canopy tops and bodies n.o.i. per lb. 6d. .. .. per complete set .. £37 10s. £37 10s. * * * * * ADD NEW SUB-PARAGRAPH-- (d) As prescribed by Departmental By-laws - - - - -						Free
No. 8 -Pages 83 and 84-- 359. * * * * * By omitting the whole of sub-item (b) and inserting in its stead the following sub-item :— “ (b) Parts of Bodies enumerated in paragraphs (1), (2) and (3) of sub-item (b), viz. :— * * * * * (2) Pressed metal panels, other-- * * * * * (c) For bodies with fixed or movable canopy tops and bodies n.o.i. - per lb. 9d. .. .. per complete set .. £37 10s. £37 10s. * * * * * ADD NEW SUB-PARAGRAPH-- (d) As prescribed by Departmental By-laws						Free

† Where no duty is shown in these columns, the rate to remain the same as that passed by the House of Representatives.

21st May, 1936.

Tariff Items.	Duty Passed by House of Representatives.			†Alteration of Duty Requested by Senate.		
	British Preferential Tariff.	Intermediate Tariff.	General Tariff.	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
No. 9—Page 87— 376. * * * * *	*	*	*			
By omitting the whole of sub-item (B) (twice occurring) and inserting in its stead the following sub-item :— “(B) Bags, hand and purse, n.e.i.; Bags, sporting, travelling; Baskets, picnic; Cases and companions, toilet, dressing, writing, travelling; Trunks, travelling; Satchels; Boxes and Cases, jewel, trinket, musical instrument; Purses n.e.i. - ad val.	25 per cent.	45 per cent.	55 per cent.			
And in respect of sub-item (B)— For each £1 by which the equivalent in Australian currency of £100 sterling is less than £125 at the date of exportation— An additional duty of ad val.	.4 per cent.	.4 per cent.	.4 per cent.”			
* * * * *	*	*	*			
AMEND SUB-ITEM TO MAKE IT— (B) Bags, hand and purse, n.e.i.; Bags, sporting, travelling; Baskets and cases, picnic; Cases and companions, toilet, dressing, writing, travelling; Trunks, travelling; Satchels; Boxes and Cases, jewel, trinket, musical instrument; Purses n.e.i. ad val.						
And in respect of sub-item (B)— For each £1 by which the equivalent in Australian currency of £100 sterling is less than £125 at the date of exportation— An additional duty of ad val.						

† Where no duty is shown in these columns, the rate to remain the same as that passed by the House of Representatives.

Resolved, on the motion of Mr. White (Minister for Trade and Customs)—That any amendment made in the Schedule of the Bill by the Committee shall have effect on and after the day following the day the amendment is made, excepting where the Committee otherwise decides or the contrary intention appears.

Requested Amendments Nos. 1 and 2 made.

Requested Amendment No. 3—

Mr. White moved, That the Requested Amendment be made.

Debate ensued.

Mr. Hawker moved, as an amendment, That the following words be added to the motion, as a modification :—“ as on and after 1st December, 1936 ”.

Mr. Curtin (Leader of the Opposition) moved, as an amendment upon the proposed amendment, That “ 1936 ” be omitted with a view to the insertion of “ 1937 ” in place thereof.

Debate continued.

Question—That the figures proposed to be omitted stand part of the proposed amendment—put. The Committee divided (The Chairman, Mr. Prowse, in the Chair)—

Ayes, 39.

Mr. Aubrey Abbott	Mr. Lyons
Mr. A. G. Cameron	Sir Charles Marr
Sir Donald Cameron	Mr. McBride
Mr. Casey	Mr. McCall
Mr. Thomas Collins	Mr. McClelland
Mr. Bernard Corser	Mr. McEwen
Mr. Fiske	Mr. Nairn
Mr. Josiah Francis	Mr. Nock
Mr. Roland Green	Mr. Parkhill
Mr. Gregory	Mr. Thomas Paterson
Sir Littleton Groom	Mr. Perkins
Sir Henry Gullett	Mr. Price
Mr. E. J. Harrison	Sir Frederick Stewart
Mr. Hawker	Mr. Street
Mr. Holt	Mr. Thorby
Mr. Hughes	Mr. White
Mr. Hunter	
Mr. Hutchinson	
Mr. Jennings	<i>Tellers:</i>
Mr. Lane	Mr. Gardner
Mr. John Lawson	Mr. Thompson

Noes, 23.

Mr. Baker	Mr. Makin
Mr. Barnard	Mr. Martens
Mr. Beasley	Mr. Mulcahy
Mr. Blackburn	Mr. Riordan
Mr. Brennan	Mr. Rosevear
Mr. Clark	Mr. Scullin
Mr. Curtin	Mr. Ward
Mr. Drakeford	Mr. D. O. Watkins
Mr. Forde	
Mr. Frost	
Mr. Garden	<i>Tellers:</i>
Mr. Holloway	Mr. Gander
Mr. James	Mr. George Lawson

And so it was resolved in the affirmative.

21st May, 1936.

Question—That the words proposed to be added to the motion be so added—put.

The Committee divided (The Chairman, Mr. Prowse, in the Chair)—

Ayes, 35.

Mr. Aubrey Abbott	Sir Charles Marr
Sir Donald Cameron	Mr. McBride
Mr. Casey	Mr. McCall
Mr. Thomas Collins	Mr. McClelland
Mr. Fiskén	Mr. McEwen
Mr. Josiah Francis	Mr. Nairn
Mr. Roland Green	Mr. Nock
Mr. Gregory	Mr. Parkhill
Sir Littleton Groom	Mr. Thomas Paterson
Sir Henry Gullett	Mr. Price
Mr. Hawker	Sir Frederick Stewart
Mr. Holt	Mr. Street
Mr. Hughes	Mr. Thorby
Mr. Hunter	Mr. White
Mr. Hutchinson	
Mr. Jennings	
Mr. Lane	<i>Tellers:</i>
Mr. John Lawson	Mr. Gardner
Mr. Lyons	Mr. Thompson

Noes, 27.

Mr. Baker	Mr. James
Mr. Barnard	Mr. Makin
Mr. Beasley	Mr. Martens
Mr. Blackburn	Mr. Mulcahy
Mr. Brennan	Mr. Perkins
Mr. A. G. Cameron	Mr. Riordan
Mr. Clark	Mr. Rosevear
Mr. Bernard Corser	Mr. Scullin
Mr. Curtin	Mr. Ward
Mr. Drakeford	Mr. D. O. Watkins
Mr. Forde	
Mr. Frost	<i>Tellers:</i>
Mr. Garden	Mr. Gander
Mr. E. J. Harrison	Mr. George Lawson
Mr. Holloway	

And so it was resolved in the affirmative.

Original question, as amended—That the Requested Amendment be made, as on and after 1st December, 1936—put.

The Committee divided (The Chairman, Mr. Prowse, in the Chair) —

Ayes, 37.

Mr. Aubrey Abbott	Mr. Lyons
Mr. A. G. Cameron	Sir Charles Marr
Sir Donald Cameron	Mr. McBride
Mr. Casey	Mr. McCall
Mr. Thomas Collins	Mr. McClelland
Mr. Fiskén	Mr. McEwen
Mr. Josiah Francis	Mr. Nairn
Mr. Roland Green	Mr. Nock
Mr. Gregory	Mr. Parkhill
Sir Littleton Groom	Mr. Thomas Paterson
Sir Henry Gullett	Mr. Price
Mr. E. J. Harrison	Sir Frederick Stewart
Mr. Hawker	Mr. Street
Mr. Holt	Mr. Thorby
Mr. Hughes	Mr. White
Mr. Hunter	
Mr. Hutchinson	
Mr. Jennings	<i>Tellers:</i>
Mr. Lane	Mr. Gardner
Mr. John Lawson	Mr. Thompson

Noes, 25.

Mr. Baker	Mr. Makin
Mr. Barnard	Mr. Martens
Mr. Beasley	Mr. Mulcahy
Mr. Blackburn	Mr. Perkins
Mr. Brennan	Mr. Riordan
Mr. Clark	Mr. Rosevear
Mr. Bernard Corser	Mr. Scullin
Mr. Curtin	Mr. Ward
Mr. Drakeford	Mr. D. O. Watkins
Mr. Forde	
Mr. Frost	<i>Tellers:</i>
Mr. Garden	Mr. Gander
Mr. Holloway	Mr. George Lawson
Mr. James	

And so it was resolved in the affirmative.

Requested Amendment No. 4—

Mr. White moved, That the Requested Amendment be not made.

Debate ensued.

Question—put and passed.

Requested Amendment No. 5—

Mr. White moved, That the Requested Amendment be not made.

Question—put and passed.

Requested Amendment No. 6 made.

Requested Amendment No. 7—

Mr. White moved, That the Requested Amendment be made.

Debate ensued.

*Closure.*—Mr. Parkhill (Minister for Defence) moved, That the question be now put.

Question—That the question be now put—put.

21st May, 1936.

The Committee divided (The Chairman, Mr. Prowse, in the Chair)—

Ayes, 33.		Noes, 21.	
Mr. A. G. Cameron	Mr. McCall	Mr. Baker	Mr. Martens
Sir Donald Cameron	Mr. McClelland	Mr. Beasley	Mr. Mulcahy
Mr. Casey	Mr. McEwen	Mr. Blackburn	Mr. Riordan
Mr. Thomas Collins	Mr. Nairn	Mr. Brennan	Mr. Rosevear
Mr. Bernard Corser	Mr. Nock	Mr. Clark	Mr. Scullin
Mr. Fiske	Mr. Parkhill	Mr. Curtin	Mr. Ward
Mr. Josiah Francis	Mr. Thomas Paterson	Mr. Drakeford	Mr. D. O. Watkins
Mr. Roland Green	Mr. Perkins	Mr. Forde	
Mr. Gregory	Mr. Price	Mr. Frost	
Sir Littleton Groom	Sir Frederick Stewart	Mr. Garden	<i>Tellers:</i>
Mr. E. J. Harrison	Mr. Street	Mr. Holloway	Mr. Gander
Mr. Holt	Mr. Thorby	Mr. James	Mr. George Lawson
Mr. Hunter	Mr. White		
Mr. Jennings			
Mr. Lane			
Mr. John Lawson	<i>Tellers:</i>		
Mr. Lyons	Mr. Gardner		
Mr. McBride	Mr. Thompson		

And so it was resolved in the affirmative.

And the question—That the Requested Amendment be made—being accordingly put—

The Committee divided (The Chairman, Mr. Prowse, in the Chair)—

Ayes, 33.		Noes, 21.	
Mr. A. G. Cameron	Mr. McCall	Mr. Baker	Mr. Martens
Sir Donald Cameron	Mr. McClelland	Mr. Beasley	Mr. Mulcahy
Mr. Casey	Mr. McEwen	Mr. Blackburn	Mr. Riordan
Mr. Thomas Collins	Mr. Nairn	Mr. Brennan	Mr. Rosevear
Mr. Bernard Corser	Mr. Nock	Mr. Clark	Mr. Scullin
Mr. Fiske	Mr. Parkhill	Mr. Curtin	Mr. Ward
Mr. Josiah Francis	Mr. Thomas Paterson	Mr. Drakeford	Mr. D. O. Watkins
Mr. Roland Green	Mr. Perkins	Mr. Forde	
Mr. Gregory	Mr. Price	Mr. Frost	
Sir Littleton Groom	Sir Frederick Stewart	Mr. Garden	<i>Tellers:</i>
Mr. E. J. Harrison	Mr. Street	Mr. Holloway	Mr. Gander
Mr. Holt	Mr. Thorby	Mr. James	Mr. George Lawson
Mr. Hunter	Mr. White		
Mr. Jennings			
Mr. Lane			
Mr. John Lawson	<i>Tellers:</i>		
Mr. Lyons	Mr. Gardner		
Mr. McBride	Mr. Thompson		

And so it was resolved in the affirmative.

Requested Amendment No. 8—

Mr. White moved, That the Requested Amendment be not made.

Debate ensued.

Question—put and passed.

Requested Amendment No. 9 made.

Resolutions to be reported.

The House resumed ; Mr. Prowse reported accordingly.

On the motion of Mr. White, the House adopted the Report.

Ordered—That the Bill, amended accordingly, be returned to the Senate.

6. MESSAGE FROM THE SENATE.—STATES GRANTS (LOCAL PUBLIC WORKS) BILL.—Mr. Speaker announced the receipt of the following Message from the Senate :—

*Message No. 114.*

MR. SPEAKER,

The Senate returns to the House of Representatives the Bill for “ *An Act to grant and apply out of the Consolidated Revenue Fund sums for the purposes of Financial Assistance to the States* ”, and acquaints the House that the Senate has agreed to the Bill with the Amendments indicated by the annexed Schedule, in which Amendments the Senate requests the concurrence of the House of Representatives.

The Senate,  
Canberra, 21st May, 1936.

BURFORD SAMPSON,  
Deputy-President.

Ordered—That the foregoing Message be taken into consideration, in Committee of the whole House, at a later hour this day.

21st and 22nd May, 1936.

7. MESSAGE FROM THE SENATE.—WIRELESS TELEGRAPHY BILL (1936).—Mr. Speaker announced the receipt of the following Message from the Senate :—

MR. SPEAKER,

Message No. 115.

The Senate has passed a Bill for “ *An Act to amend sections two and nine of the ‘ Wireless Telegraphy Act 1905-1919’*”, and transmits the same to the House of Representatives for its concurrence.

The Senate,  
Canberra, 21st May, 1936.

BURFORD SAMPSON,  
Deputy-President.

Mr. Parkhill (Minister representing the Postmaster-General) moved, pursuant to contingent notice, That the Standing Orders be suspended, to enable the Bill to be passed through all its stages without delay.

Question—put and passed.

Mr. Parkhill moved, That the Bill transmitted by the foregoing Message be now read a first time.

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

Ordered—That the second reading be made an Order of the Day for a later hour this day.

8. POSTPONEMENT OF ORDERS OF THE DAY.—Ordered—That Orders of the Day Nos. 1 and 2, Government Business, be further postponed until a later hour this day.

9. PETROLEUM OIL SEARCH BILL.—The Order of the Day having been read for the resumption of the debate on the question, That the Bill be now read a second time—

Debate resumed.

Mr. Beasley 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 House continuing to sit until after midnight—

FRIDAY, 22ND MAY, 1936.

Debate continued.

Mr. James 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—

*Closure moved.*—Mr. Ward moved, That the question be now put.

Question—That the question be now put—put.

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

Ayes, 17.

Mr. Baker	Mr. Mulcahy
Mr. Beasley	Mr. Riordan
Mr. Clark	Mr. Rosevear
Mr. Curtin	Mr. Ward
Mr. Drakeford	Mr. D. O. Watkins
Mr. Forde	
Mr. Frost	<i>Tellers:</i>
Mr. Garden	Mr. Gander
Mr. Holloway	Mr. George Lawson
Mr. James	

Noes, 27.

Mr. Aubrey Abbott	Mr. McClelland
Mr. A. G. Cameron	Mr. McEwen
Sir Donald Cameron	Mr. Nock
Mr. Casey	Mr. Parkhill
Mr. Thomas Collins	Mr. Thomas Paterson
Mr. Fiske	Mr. Price
Mr. Josiah Francis	Mr. Prowse
Mr. E. J. Harrison	Sir Frederick Stewart
Mr. Hawker	Mr. Street
Mr. Holt	Mr. Thorby
Mr. Hunter	
Mr. John Lawson	<i>Tellers:</i>
Mr. Lyons	Mr. Gardner
Mr. McBride	Mr. Thompson
Mr. McCall	

And so it was negatived.

Debate continued.

Question—That the Bill be now read a second time—put and passed.—Bill read a second time.

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

(*In the Committee.*)

Clause 1 agreed to.

Clause 2—

Mr. Beasley moved, as an amendment, That the words “ but does not include ” (page 1, line 8) be omitted, with a view to the insertion of the words “ and includes ” in place thereof.

*Chairman’s Ruling.*—The Chairman (Mr. Prowse) ruled the amendment out of order, as it varied the terms of the Governor-General’s Message.

Clause agreed to.

Clauses 3 to 8 agreed to.

Preamble agreed to.

Title agreed to.

Bill to be reported without amendment.

The House resumed ; Mr. Prowse reported accordingly.

On the motion of Mr. Thomas Paterson (Minister for the Interior), the House adopted the Report, and (the Standing Orders having previously been suspended, *see* page 608) the Bill was read a third time.

21st and 22nd May, 1936.

10. DAIRY PRODUCE EXPORT CONTROL BILL (1936).—The Order of the Day having been read for the second reading—Mr. Thorby (Acting Minister for Commerce) moved, That the Bill be now read a second time.

Debate ensued.

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

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

(*In the Committee.*)

Bill, by leave, taken as a whole, and agreed to.

Bill to be reported without amendment.

The House resumed ; Mr. Prowse reported accordingly.

On the motion of Mr. Thorby, the House adopted the Report, and, by leave, the Bill was read a third time.

11. MESSAGE FROM THE SENATE.—INCOME TAX ASSESSMENT BILL (1936).—Mr. Speaker announced the receipt of the following Message from the Senate :—

*Message No. 116.*

MR. SPEAKER,

The Senate returns to the House of Representatives the Bill for “ *An Act to consolidate and amend the Law relating to the Imposition Assessment and Collection of a Tax upon Incomes* ”, and acquaints the House that the Senate has agreed to the Bill with the Amendments indicated by the annexed Schedule, in which Amendments the Senate requests the concurrence of the House of Representatives.

BURFORD SAMPSON,  
Deputy-President.

The Senate,

Canberra, 21st May, 1936.

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.*)

The Committee proceeded to consider the Amendments made by the Senate, which are as follows :—

SCHEDULE OF THE AMENDMENTS MADE BY THE SENATE.

No. 1.—Page 11, clause 23, line 31, leave out “ and ”.

No. 2.—Page 11, clause 23, after sub-paragraph (vi) of paragraph (c) insert the following sub-paragraph :—

“ and (vii) as director’s fees or salary by a non-resident during a visit to Australia during which he acts as a director, manager or other administrative officer of a manufacturing, mercantile or mining business or of a business of primary production, if the visit of the non-resident to Australia does not exceed six months ; ”.

No. 3.—Page 13, clause 23, line 25, after “ country ” insert “ outside Australia ”.

No. 4.—Page 13, clause 23, line 27, after “ derived ” insert “ For the purposes of this paragraph, a taxpayer shall be deemed to be liable to pay royalty or export duty in any country outside Australia if he satisfies the Commissioner that he sold the goods in that country to another person for export from that country, and that the price for which the goods were sold was less, by the amount of the royalty or the export duty, as the case may be, than the price which the taxpayer could have obtained from the sale of the goods outside that country ”.

No. 5.—Page 13, clause 23, after paragraph (r) add the following paragraph :—

“ (s) the income of—

(i) any fund or association maintained by a religious institution ; or

(ii) any company the whole of the shares of which are held by or on behalf of a religious institution,

where the fund or association is maintained, or the company was formed and is carried on, for the sole purpose of insuring property belonging to the religious institution, and where the profits arising from the fund, or derived by the association or company, are devoted to that sole purpose or to the purposes of the religious institution.”.

No. 6.—Page 33, clause 84, line 44, after “ shall ” insert “, except in cases in which the next succeeding sub-section applies,”.

No. 7.—Pages 33 and 34, clause 84, leave out the proviso, insert the following sub-clause :—

“ (2.) Where a lease from the Crown of land used for primary production is assigned or surrendered by the taxpayer, and the lease was acquired by him before the sixth year prior to the year of income in which it is so assigned or surrendered, the amount of the net premium received by the taxpayer as consideration for or in connexion with the assignment or surrender shall be included in his assessable income :

Provided that the amount of any net premium (or if, in respect of the transaction, there are more net premiums than one—the sum of the net premiums) so included shall not exceed the total of the amounts of deductions allowed under this Act and any previous law of the Commonwealth to the taxpayer in respect of the lease.”.

No. 8.—Page 34, clause 85, line 7, after “ is ” insert “, under sub-section (1.) of section eighty-four of this Act,”.

No. 9.—Page 34, clause 85, line 32, after “ is ” insert “, under sub-section (1.) of section eighty-four of this Act,”.



21st and 22nd May, 1936.

- No. 10.—Page 34, clause 85, line 46, after “is” insert “, under sub-section (1.) of section eighty-four of this Act.”
- No. 11.—Page 35, clause 85, at end of clause insert the following sub-clause:—  
 “(4.) Where a net premium is, under sub-section (2.) of section eighty-four of this Act, included in the assessable income of a taxpayer, the deductions which would have been allowable under this section had the full amount of the premium been included under sub-section (1.) of that section in the assessable income of the taxpayer, shall be taken into account only for the purpose of ascertaining the amount of the net premium.”
- No. 12.—Page 47, clause 124, line 32, leave out “new”.
- No. 13.—Page 47, clause 125, lines 42 43, leave out “income tax upon that interest”.
- No. 14.—Page 47, clause 125, line 13, after “Parliament” insert—  
 “— (i) where the person to whom the interest is paid or credited is a company—  
 income tax upon that interest; and  
 (ii) where the person to whom the interest is paid or credited is not a company—  
 income tax upon so much of that interest paid or credited in the year of income as exceeds Two hundred and fifty pounds”.
- No. 15.—Page 55, clause 160, leave out sub-clauses (2.) and (3.), insert the following new sub-clauses:—  
 “(2.) In this section, ‘business’ means a business which from its nature and character requires the retention in the business of not less than fifteen per centum of the taxable income of each year.  
 “(3.) This section shall not apply in any case by reason only of the existence of any one or more of the following facts:—  
 (a) The amount set aside, appropriated or written off the value of assets in the accounts of an individual in respect of depreciation, exceeds the amount, if any, allowable under this Act in respect of depreciation of those assets.  
 (b) It is necessary to retain taxable income to meet expenditure of such a nature as would be, if and when incurred, a deduction under this Act from assessable income.  
 (c) It is necessary to retain taxable income to repay borrowed money.  
 (d) It is necessary to retain taxable income to increase capital.”
- No. 16.—Page 56, clause 165, lines 29, 30 and 34, leave out “the sources of information from which the return was compiled” (wherever occurring), insert “such information as to the sources available for the compilation of the return as is prescribed”.
- No. 17.—Page 59, clause 172, line 2, leave out “may”, insert “shall”.
- No. 18.—Page 62, clause 190, line 7, after “objection” insert “and to such other grounds as the Board or Court hearing the appeal gives leave to add”.
- No. 19.—Page 77, clause 254, after paragraph (e) insert the following paragraph:—  
 “(ea) He is hereby indemnified for all payments which he makes in pursuance of this Act or of any requirement of the Commissioner.”
- No. 20.—Page 78, clause 255, after paragraph (e) insert the following paragraph:—  
 “(d) he is hereby indemnified for all payments which he makes in pursuance of this Act or of any requirement of the Commissioner.”

Amendments Nos. 1 to 17 agreed to.

Amendment No. 18 debated and disagreed to.

Amendments Nos. 19 and 20 agreed to.

Resolutions to be reported.

The House resumed; Mr. Prowse reported accordingly.

On the motion of Mr. Casey (Treasurer), the House adopted the Report.

Mr. Casey moved, That Mr. Parkhill, Mr. Thomas Paterson and the Mover be appointed a Committee to draw up Reasons for the House of Representatives disagreeing to Amendment No. 18 of the Senate. Question—put and passed.

Mr. Casey, on behalf of the Committee, brought up such Reasons, which were read, and are as follows:—

*Reasons of the House of Representatives for disagreeing to Amendment No. 18 of the Senate.*

1. That the Commissioner should have the right to be informed in the first instance of all the grounds of objection that the taxpayer has to the assessment, so that he may have an opportunity to correct his assessment if necessary before any appeal machinery is invoked.

2. It would be most unwise to make such a practice possible seeing that the Commissioner would be denied the right of allowing the objection or of giving the subject matter reasonable consideration.

3. It is also an unwarranted extension of the time which has hitherto been fixed by Parliament and regarded as a reasonable time within which a taxpayer should set out fully and in detail the grounds on which he relies for his objection.

4. The Royal Commission recommends no alteration of the present practice. Paragraph 930 of the Royal Commission's Report reads as follows:—

930. The taxpayer is conversant with the whole of the facts. The Commissioner on the other hand is dependent upon the taxpayer to supply him with these facts. We are assured that every facility is given to the taxpayer to discuss his case with the Commissioner before the time specified for lodging a notice of objection. It is then open to the taxpayer to discuss with the representatives of the Department any new aspects of the case or facts that may have come to his notice, and, in that event, the Department

21st and 22nd May, 1936.

may settle the objection, without recourse to the Court. If the taxpayer neglects to avail himself of these opportunities, we think it is not unreasonable that he should be limited to the grounds stated in his objection.

5. The amendment will encourage exploitation of the appeal provisions—in that it would enable a taxpayer to conceal from the Commissioner his principal ground of objection and expose this principal ground only to the Court or Board.

6. The present state of the law has been the practice since the inception of the Act. The proposed amendment would represent a departure from an established practice which has worked satisfactorily for over 20 years.

Mr. Casey moved, That the Committee's Reasons be adopted.

Question—put and passed.

12. STATES GRANTS (LOCAL PUBLIC WORKS) BILL.—SENATE'S AMENDMENTS.—The Order of the Day having been read for the consideration in Committee of the whole House of the Amendments made by the Senate in this Bill—Mr. Speaker left the Chair, and the House resolved itself into a Committee of the Whole.

(In the Committee.)

The Committee proceeded to consider the Amendments made by the Senate, which are as follows :—

SCHEDULE OF THE AMENDMENTS MADE BY THE SENATE.

No. 1.—Page 1, clause 2, lines 10–14, leave out the definitions of “ public authority ” and “ public work ”, insert the following definition :—

“ ‘ public work ’ means any work—

(a) which is constructed or is to be constructed by the Government of a State or by a local Government authority or is a hospital or public health institution ; and

(b) which is declared by the Government of a State to be a public work and is approved by the Treasurer of the Commonwealth ; ”.

No. 2.—Page 2, clause 6, line 27, leave out “ applied ”, insert “ paid ”.

No. 3.—Page 2, clause 6, line 28, after “ State ” insert “ to authorities or bodies controlling public works ”.

No. 4.—Page 2, clause 6, lines 32–33, leave out “, and not directly controlled by the Government of the State ”.

No. 5.—Page 2, clause 6, line 34, leave out “ shall make ”, insert “ makes or has made ”.

No. 6.—Page 3, clause 6, lines 5–6, leave out “ a contribution in that financial year ”, insert “ on or after the first day of July, One thousand nine hundred and thirty-five, a contribution ”.

No. 7.—Page 3, clause 6, line 12, leave out “ that ”, insert “ the ”.

No. 8.—Page 3, clause 6, line 24, leave out “ extra-metropolitan districts ”, insert “ districts outside metropolitan areas ”.

No. 9.—Page 3, clause 6, line 25, leave out “ extra-metropolitan ”.

No. 10.—Page 3, clause 6, line 29, leave out “ a public authority ”, insert “ an authority or body ”.

No. 11.—Page 3, clause 6, line 34, leave out “ a public authority ”, insert “ an authority or body ”.

Amendments agreed to.

Resolution to be reported.

The House resumed ; Mr. Prowse reported accordingly.

On the motion of Mr. Casey (Treasurer), the House adopted the Report.

13. ARBITRATION (PUBLIC SERVICE) BILL (1936).—The Order of the Day having been read for the further consideration of this Bill in Committee of the whole House—Mr. Speaker left the Chair, and the House resolved itself into a Committee of the Whole.

(In the Committee.)

Proposed new clause—

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

The House resumed ; Mr. Prowse reported accordingly.

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

14. ADJOURNMENT.—Mr. Parkhill (Minister for Defence) moved, That the House do now adjourn.

Question—put and passed.

And then the House, at two minutes to four o'clock in the morning, adjourned until this day at half-past ten o'clock a.m.

MEMBERS PRESENT.—All Members were present (at some time during the sitting) except—Mr. J. V. Fairbairn, Mr. Albert Green\*, Mr. E. F. Harrison\*, Mr. Lazzarini, Mr. G. W. Mahoney, Mr. W. Maloney, Mr. Menzies\*, Mr. Earle Page\*, Mr. Scholfield, and Mr. Stacey.

\* On leave.

E. W. PARKES,  
Clerk of the House of Representatives.