

1937-38-39.

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA,  
CANBERRA.

VOTES AND PROCEEDINGS  
OF THE  
HOUSE OF REPRESENTATIVES.

No. 102.

FRIDAY, 8TH SEPTEMBER, 1939.

1. The House met, at half-past three o'clock p.m., pursuant to adjournment.—Mr. Speaker (the Honorable G. J. Bell) took the Chair, and read Prayers.
2. MINISTRY OF INFORMATION—MINISTERIAL STATEMENT.—Mr. Menzies (Prime Minister), by leave, made a Ministerial Statement informing the House of the decision of the Government to create a Ministry of Information. Mr. Menzies outlined the principal functions of the new Ministry, and announced that Sir Henry Gullett (Minister for External Affairs) would be in charge of it.
3. PAPERS.—The following Paper was presented, by command of His Excellency the Governor-General—  
Supply and Development Act—Accountancy Advisory Panel—First Report (September, 1939).  
Ordered to lie on the Table.  
The following Papers were presented, pursuant to Statute—  
Commerce (Trade Descriptions) Act—Regulations Amended—Statutory Rules 1939, No. 79.  
Commonwealth Conciliation and Arbitration Act—Regulations Amended—Statutory Rules 1939, No. 63.  
Commonwealth Grants Commission Act—Report of the Commonwealth Grants Commission on applications made by the States of South Australia, Western Australia and Tasmania, for Financial Assistance in 1939-40 from the Commonwealth under Section 96 of the Constitution.  
Customs Act—Regulations—Statutory Rules 1939, No. 78.  
Customs Act and Commerce (Trade Descriptions) Act—Regulations Amended—Statutory Rules 1939, No. 81.  
Dairy Produce Export Charges Act—Regulations Amended—Statutory Rules 1939, No. 80.  
Northern Territory Acceptance Act and Northern Territory (Administration) Act—  
Ordinances of 1939—  
No. 13—Dangerous Drugs.  
No. 14—Mines Regulation.  
No. 15—Birds Protection (No. 2).  
No. 16—Public Service (No. 2).  
No. 17—Criminal Law Amendment.  
No. 18—Evidence.  
No. 19—Health.  
Buffaloes Protection Ordinance—Regulations.
4. MESSAGES FROM THE GOVERNOR-GENERAL.—ESTIMATES 1939-40.—The following Messages from His Excellency the Governor-General were presented, and were read by Mr. Speaker :—  
GOWRIE,  
*Governor-General.* *Message No. 81.*  
In accordance with the requirements of Section fifty-six of the Constitution of the Commonwealth of Australia, the Governor-General transmits to the House of Representatives Estimates of Revenue and Expenditure for the year ending the thirtieth day of June, One thousand nine hundred and forty, and recommends an appropriation of the Consolidated Revenue Fund accordingly.

Canberra, 8th September, 1939.

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## GOWRIE,

Governor-General.

Message No. 82.

In accordance with the requirements of Section fifty-six of the Constitution of the Commonwealth of Australia, the Governor-General transmits to the House of Representatives Estimates of Expenditure for Additions, New Works, Buildings, &c., for the year ending the thirtieth day of June, One thousand nine hundred and forty, and recommends an appropriation of the Consolidated Revenue Fund accordingly.

Canberra, 8th September, 1939.

Severally ordered to lie on the Table, and, together with the accompanying Estimates, to be printed and referred to the Committee of Supply forthwith.

5. SUPPLY—BUDGET STATEMENT.—The House, according to Order, resolved itself into the Committee of Supply.

(In the Committee.)

Mr. Menzies (Treasurer) delivered the Budget Speech and then moved, That the first item in the Estimates, under Division No. 1.—The Senate—namely—

Salaries and allowances . . . . . £8,040

be agreed to.

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

The House resumed; Mr. Prowse reported accordingly.

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

6. PAPER.—Mr. Menzies (Treasurer) presented, by command of His Excellency the Governor-General—The Budget, 1939-40—Papers presented by the Right Honorable R. G. Menzies, K.C., M.P., for the information of honorable Members on the occasion of the Budget of 1939-40. Ordered to lie on the Table, and to be printed.

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

(In the Committee.)

Mr. Spender (Minister assisting the Treasurer) moved the following motions:—

1. That in lieu of the rate of tax imposed by the *Sales Tax Act (No. 1) 1930-1938* there be imposed sales tax at the rate of six per centum upon the sale value of goods manufactured in Australia by a taxpayer and on or after the ninth day of September, One thousand nine hundred and thirty-nine sold by him or treated by him as stock for sale by retail or applied to his own use.

2. That in lieu of the rate of tax imposed by the *Sales Tax Act (No. 2) 1930-1938* there be imposed sales tax at the rate of six per centum upon the sale value of goods manufactured in Australia and sold on or after the ninth day of September, One thousand nine hundred and thirty-nine by a taxpayer who purchased them from the manufacturer.

3. That in lieu of the rate of tax imposed by the *Sales Tax Act (No. 3) 1930-1938* there be imposed sales tax at the rate of six per centum upon the sale value of goods manufactured in Australia and sold on or after the ninth day of September, One thousand nine hundred and thirty-nine by a taxpayer, not being either the manufacturer of those goods or a purchaser of those goods from the manufacturer.

4. That in lieu of the rate of tax imposed by the *Sales Tax Act (No. 4) 1930-1938* there be imposed sales tax at the rate of six per centum upon the sale value of goods manufactured in Australia and sold to a taxpayer who has, on or after the ninth day of September, One thousand nine hundred and thirty-nine, applied those goods to his own use.

5. That in lieu of the rate of tax imposed by the *Sales Tax Act (No. 5) 1930-1938* there be imposed sales tax at the rate of six per centum upon the sale value of goods imported into Australia by a taxpayer on or after the ninth day of September, One thousand nine hundred and thirty-nine.

6. That in lieu of the rate of tax imposed by the *Sales Tax Act (No. 6) 1930-1938* there be imposed sales tax at the rate of six per centum upon the sale value of goods imported into Australia by a taxpayer and, on or after the ninth day of September, One thousand nine hundred and thirty-nine, sold by him or applied by him to his own use.

7. That in lieu of the rate of tax imposed by the *Sales Tax Act (No. 7) 1930-1938* there be imposed sales tax at the rate of six per centum upon the sale value of goods imported into Australia and sold on or after the ninth day of September, One thousand nine hundred and thirty-nine by a taxpayer not being the importer of the goods.

8. That in lieu of the rate of tax imposed by the *Sales Tax Act (No. 8) 1930-1938* there be imposed sales tax at the rate of six per centum upon the sale value of goods imported into Australia and sold to a taxpayer who has, on or after the ninth day of September, One thousand nine hundred and thirty-nine, applied those goods to his own use.

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9. That in lieu of the rate of tax imposed by the *Sales Tax Act (No. 9) 1930-1938* there be imposed sales tax at the rate of six per centum upon the value of goods in Australia, including goods which have gone into use or consumption in Australia, leased by a taxpayer to a lessee on or after the ninth day of September, One thousand nine hundred and thirty-nine.

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

The House resumed : Mr. Prowse reported accordingly.

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

8. WAYS AND MEANS—CUSTOMS TARIFF AMENDMENT (NO. 8), EXCISE TARIFF AMENDMENT (NO. 4).—  
The House, according to Order, again resolved itself into the Committee of Ways and Means.

(In the Committee.)

Mr. John Lawson (Minister for Trade and Customs) moved—

CUSTOMS TARIFF AMENDMENT (NO. 8).

(1.) That the Schedule to the *Customs Tariff 1933-1939*, as proposed to be amended by Customs Tariff Proposals introduced into the House of Representatives on the third day of May, One thousand nine hundred and thirty-nine, be further amended as hereinafter set out, and that, on and after the ninth day of September, One thousand nine hundred and thirty-nine, at nine o'clock in the forenoon, reckoned according to standard time in the Australian Capital Territory, Duties of Customs be collected in pursuance of the *Customs Tariff 1933-1939* as so amended.

(2.) That, without prejudice to the generality of paragraph (1.) of this Resolution, the Governor-General may, from time to time by Proclamation declare that, from a time and date specified in the Proclamation, the Intermediate Tariff shall apply to such goods specified in the Proclamation as are the produce or manufacture of any British or foreign country specified in the Proclamation.

(3.) That on and after the time and date specified in a Proclamation issued in accordance with the last preceding paragraph, the Intermediate Tariff shall apply to such goods specified in the Proclamation as are the produce or manufacture of a British or foreign country specified in that Proclamation.

(4.) That any Proclamation issued in accordance with paragraph (2.) of this Resolution may, from time to time, be revoked or varied by a further Proclamation, and upon the revocation or variation of the Proclamation, the Intermediate Tariff shall cease to apply to the goods specified in the Proclamation so revoked, or, as the case may be, the application of the Intermediate Tariff to the goods specified in the Proclamation so varied, shall be varied accordingly.

(5.) That in this Resolution, unless the contrary intention appears—

“ Proclamation ” means a Proclamation by the Governor-General, or the person for the time being administering the government of the Commonwealth, acting with the advice of the Federal Executive Council, and published in the *Commonwealth of Australia Gazette* ;

“ the Intermediate Tariff ” means the rates of duty set out in the Schedule to this Resolution, in the column headed “ Intermediate Tariff ”, in respect of goods in relation to which the expression is used.

IMPORT DUTIES.

Tariff Items.	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
<b>DIVISION I.—ALE, SPIRITS, AND BEVERAGES.</b>			
1. By omitting the whole item and inserting in its stead the following item :—			
“ 1. Ale and other beer, porter, cider and perry, spirituous :—			
(A) In containers not exceeding one gallon*	3s. 3d.	6s. 6d.	6s. 6d.
(B) Otherwise	2s. 9d.	5s.	5s.
* Six reputed quarts or twelve reputed pints or twenty-four reputed half-pints to be charged as one gallon.			
3. By omitting the whole of sub-item (B) (twice occurring) and inserting in its stead the following sub-item :—			
“ (B) Whisky, including liqueur whisky :—			
(1) Distilled in the United Kingdom wholly from barley malt by a pot-still or similar process at a strength not exceeding 45 per cent. over proof, and certified by the competent Government official in the United Kingdom to be whisky so distilled, imported at the strength of proof or over,			

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IMPORT DUTIES—*continued.*

Tariff Items.	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
<b>Division I.—Ale, Spirits, and Beverages—<i>continued.</i></b>			
3.— <i>continued.</i>			
(B)— <i>continued.</i>			
(1)— <i>continued.</i>			
and entered to be delivered to a distillery to be used in blending with Australian distilled whisky—to be paid at the time of removal to the distillery			
per proof gallon	14s.	..	..
(2) Other—			
(a) When not exceeding the strength of proof	41s.	44s.	44s.
per gallon			
(b) When exceeding the strength of proof	41s.	44s.	44s."
per proof gallon			
By omitting the whole of sub-item (c) and inserting in its stead the following sub-item :—			
" (c) Gin, distilled wholly from barley malt, grain, grape wine or fruit, and certified in the prescribed form by the competent Government official in the country of production to be gin distilled wholly from barley malt, grain, grape wine or fruit—			
(1) When not exceeding the strength of proof	41s.	43s.	43s.
per gallon			
(2) When exceeding the strength of proof	41s.	43s.	43s."
per proof gallon			
By omitting the whole of sub-item (d) and inserting in its stead the following sub-item :—			
" (d) Rum, pure, distilled wholly from sugar, sugar syrup, molasses, or the refuse of sugar cane, by a pot-still or similar process at a strength not exceeding 45 per cent. over proof and certified in the prescribed form by the competent Government official in the country of production to be pure rum distilled wholly from sugar, sugar syrup, molasses, or the refuse of sugar cane, under the conditions specified—			
(1) When not exceeding the strength of proof	37s.	42s.	42s.
per gallon			
(2) When exceeding the strength of proof	37s.	42s.	42s."
per proof gallon			
By omitting the whole of sub-item (e) and inserting in its stead the following sub-item :—			
" (e) Blended Rum, distilled wholly from sugar, sugar syrup, molasses, or the refuse of sugar cane, containing not less than 25 per cent. of pure spirit which has been separately distilled from sugar, sugar syrup, molasses, or the refuse of sugar cane, by a pot-still or similar process at a strength not exceeding 45 per cent. over proof and certified in the prescribed form by the competent Government official in the country of production to be rum distilled wholly from sugar, sugar syrup, molasses, or the refuse of sugar cane, under the conditions specified and so blended—			
(1) When not exceeding the strength of proof	38s.	43s.	43s.
per gallon			
(2) When exceeding the strength of proof	38s.	43s.	43s."
per proof gallon			

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IMPORT DUTIES—continued.

Tariff Items.	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
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**DIVISION V.—TEXTILES, FELTS AND FURS, AND MANUFACTURES THEREOF, AND ATTIRE.**

122. By adding a new sub-item (b) as follows :— “ (n) Cotton material of the type ordinarily used in the manufacture of pneumatic rubber tyres, viz. :— (1) Cotton cord fabric and cotton tyre fabric in the piece, being loosely woven or consisting of a number of lengths of cotton cord loosely held together by weft threads inserted at intervals ad val.	5 per cent.	25 per cent.	25 per cent.
(2) Cotton cord, as prescribed by Departmental By-laws ad val.	5 per cent.	25 per cent.	25 per cent.”

**DIVISION VII.—OILS, PAINTS, AND VARNISHES.**

229. By omitting the whole of sub-item (A) and inserting in its stead the following sub-item :— “ (A) Power kerosene ; kerosene and other refined petroleum burning oils, n.e.i. . . . .	Free	Free	Free ”
By omitting from paragraph (1) of sub-item (B) the words “ Crude Petroleum, Residual Oil†, Solar Oil ” and inserting in their stead the following :— “ Crude Petroleum, Diesel Oil†, Solar Oil† and Residual Oil† ”.			
By omitting the whole of sub-paragraph (b) of paragraph (1) of sub-item (B) and inserting in its stead the following sub-paragraph :— “ (b) For use as fuel provided that the recoverable petrol content* of crude petroleum does not exceed 15 per cent., as prescribed by Departmental By-laws . . . . .	1d.	1d.	1d.”
By omitting the whole of sub-paragraph (b) of paragraph (4) of sub-item (B) and inserting in its stead the following sub-paragraph :— “ (b) Having a recoverable petrol content* exceeding 70 per cent. . . . .	8d.	8d.	8d.”
By omitting the whole of paragraph (5) of sub-item (B) and inserting in its stead the following paragraph :— “ (5) Once-run distillate from crude petroleum n.e.i. . . . .	8d.	8d.	8d.”
By omitting the whole of paragraph (6) of sub-item (B) and inserting in its stead the following paragraph :— “ (6) Diesel oil† n.e.i. ; solar oil† n.e.i. ; residual oil† n.e.i. . . . .	4d.	4½d.	4½d.”
By adding to sub-item (B) a new paragraph (7) as follows :— “ (7) Crude lubricating distillate from crude petroleum for use in the production of mineral lubricating oils by distillation, as prescribed by Departmental By-laws . . . . .	4½d.	5½d.	7d.”
By omitting the note appearing at the end of sub-item (B), viz. :—“ † Residual Oil for the purposes of this sub-item shall be as defined by Departmental By-law.” and inserting in its stead the following note :— “ † For the purposes of this sub-item ‘ Diesel Oil’, ‘ Solar Oil’ and ‘ Residual Oil’ shall be as defined by Departmental By-law.”			
By omitting the whole of sub-item (c) and inserting in its stead the following sub-item :— “ (c) Petroleum and shale products, viz. :— Naphtha, benzine, benzoline, gasoline, pentane, petrol and any other petroleum or shale spirit per gallon	8d.	8d.	8d.”

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IMPORT DUTIES—*continued.*

Tariff Items.	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
<b>Division VII.—Oils, Paints, and Varnishes—<i>continued.</i></b>			
229— <i>continued.</i>			
By omitting the whole of paragraph (2) of sub-item (v) and inserting in its stead the following paragraph :—			
“ (2) N.E.I. . . . . per gallon	8d.	8d.	8d.”
By omitting the whole of sub-item (x) and inserting in its stead the following sub-item :—			
“ (x) Lubricating (Mineral)† . . . . . per gallon	6½d.	7½d.	9d.
† An admixture not exceeding 2 per cent. of any vegetable or animal oil or other foreign matter shall not be deemed to render the oil liable to any higher duty.”			
<b>DIVISION IX.—DRUGS AND CHEMICALS.</b>			
266. By omitting the whole of sub-items (A) and (B) and inserting in their stead the following sub-items :—			
“ (A) Benzol . . . . . per gallon	6d.	9d.	9d.
“ (B) Naphtha . . . . . per gallon	6d.	9d.	9d.”
<b>DIVISION XVI.—MISCELLANEOUS.</b>			
434. By omitting the whole item and inserting in its stead the following item :—			
“ 434. Goods of the classes which may be prescribed by Departmental By-laws under items 103 (B), 174, 228 (A) (1), 229 (H) (3), 404, 404A or 415A, but which are for such use as, in the opinion of the Minister, does not justify the application of the rates of duty operating under such items, as prescribed by Departmental By-laws - ad val.	5 per cent.	20 per cent.	20 per cent.”
By adding a new item 442 as follows :—			
“ 442. Kapok fibre . . . . . per lb.	2d.	2d.	2d.”

## EXCISE TARIFF AMENDMENT (No. 4).

That the Schedule to the *Excise Tariff* 1921-1938 as proposed to be amended by the Excise Tariff Proposals introduced into the House of Representatives on the fourth day of May, One thousand nine hundred and thirty-eight, be further amended as hereunder set out, and that on and after the ninth day of September, One thousand nine hundred and thirty-nine, at nine o'clock in the forenoon, reckoned according to standard time in the Australian Capital Territory, Duties of Excise be collected in pursuance of the *Excise Tariff* 1921-1938 as so amended.

## EXCISE DUTIES.

Articles.	Rate of Duty.
1. By omitting the whole item and inserting in its stead the following item :—	
“ 1. Beer—	
(A) Ale, porter, and other beer, containing not less than 2 per cent. of proof spirit . . . . . per gallon	2s.
(B) Any other fermented liquors n.e.i. containing not less than 2 per cent. of proof spirit which may by Proclamation be declared dutiable under this item . . . . . per gallon	2s.”
2. By omitting the whole of sub-item (v) and inserting in its stead the following sub-item :—	
“ (v) Whisky, distilled wholly from barley malt by a pot-still or similar process at a strength not exceeding 45 per cent. over proof, matured by storage in wood for a period of not less than two years, and certified by an officer to be pure malt whisky . . . . . per proof gallon	27s.”
By omitting the whole of sub-item (x) and inserting in its stead the following sub-item :—	
“ (x) (1) Australian Blended Whisky, distilled partly from barley malt and partly from other grain, containing not less than 25 per cent. of pure barley malt spirit (which has been separately distilled by a pot-still or similar process at a strength not exceeding 45 per cent. over proof), the whole being matured by storage in wood for a period of not less than two years, and certified by an officer to be whisky so blended and matured . . . . . per proof gallon	27s.
(2) Blended Whisky, n.e.i., distilled partly from barley malt and partly from other grain, containing not less than 25 per cent. of pure barley malt spirit (which has been separately distilled by a pot-still or similar process at a strength not exceeding 45 per cent. over proof), provided that the blended whisky contains not less than 15 per cent. of Australian pure barley malt spirit and contains not more than 20 per cent. of spirit upon which import duty has been paid, the whole being matured by storage in wood for a period of not less than two years, and certified by an officer to be whisky so blended and matured . . . . . per proof gallon	27s.”

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EXCISE DUTIES—continued.

Articles.	Rate of Duty.
2. —continued.	
By omitting the whole of sub-item (F) and inserting in its stead the following sub-item :—	
“ (F) Rum, distilled wholly from sugar, sugar syrup, molasses, or the refuse of sugar cane, by a pot-still or similar process at a strength not exceeding 45 per cent. over proof, matured by storage in wood for a period of not less than two years, and certified by an officer to be pure rum - - - - - per proof gallon	29s.”
By omitting the whole of sub-item (G) and inserting in its stead the following sub-item :—	
“ (G) Blended Rum, distilled wholly from sugar, sugar syrup, molasses, or the refuse of sugar cane, containing not less than 25 per cent. of pure spirit (which has been separately distilled from sugar, sugar syrup, molasses, or the refuse of sugar cane, by a pot-still or similar process at a strength not exceeding 45 per cent. over proof), the whole being matured by storage in wood for a period of not less than two years and certified by an officer to be rum so blended and matured - - - per proof gallon	30s.”
By omitting the whole of sub-item (H) and inserting in its stead the following sub-item :—	
“ (H) Gin, distilled from barley malt, grain, grape wine, apples, or other approved fruit and certified by an officer to be pure gin - - - per proof gallon	29s.”
11. By omitting the whole of paragraph (2) of sub-item (A) and inserting in its stead the following paragraph :—	
“ (2) N.E.I. - - - - - per gallon	6½d.”
By omitting the whole of paragraph (2) of sub-item (B) and inserting in its stead the following paragraph :—	
“ (2) N.E.I. - - - - - per gallon	6½d.”
By omitting the whole of paragraphs (2) and (3) of sub-item (C) and inserting in their stead the following paragraphs :—	
“ (2) Benzol - - - - - per gallon	2½d.
“ (3) N.E.I. - - - - - per gallon	6½d.”
By adding a new sub-item (D) as follows :—	
“ (D) Fuel oil* resulting from the refining, processing or distillation of petroleum shale or coal products and produced in Australia on or after 9th September, 1939—	
(1) As prescribed by Departmental By-laws - - - - -	Free
(2) Otherwise - - - - - per gallon	1d.
* For the purposes of this sub-item “fuel oil” shall be as defined by Departmental By-laws.”	

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.

9. ADJOURNMENT.—Mr. Menzies (Prime Minister) moved, That the House do now adjourn.

Debate ensued.

Question—put and passed.

And then the House, at two minutes to six o'clock p.m., adjourned until Tuesday next at three o'clock p.m.

MEMBERS PRESENT.—All Members were present (at some time during the sitting) except—Mr. Clark, Mr. Fairbairn, and Mr. Hunter.

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